
QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95

Annual Comprehensive Financial Report

Fiscal Year Ended June 30, 2024



EXCELLENCE THROUGH LEADERSHIP

Queen Creek Unified School District No. 95

Queen Creek, Arizona

**Annual Comprehensive Financial Report
Fiscal Year Ended June 30, 2024**

Issued by:
Business and Finance Department

Queen Creek Unified School District No. 95

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Introductory Section

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Queen Creek Unified School District

(480) 987-5935 | www.qcusd.org | 20217 East Chandler Heights Rd. Queen Creek, AZ

December 16, 2024

Citizens and Governing Board
Queen Creek Unified School District No. 95
20217 East Chandler Heights Road
Queen Creek, Arizona 85142

State law mandates that school districts required to undergo an annual single audit publish a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America and audited in accordance with auditing standards generally accepted in the United States by a certified public accounting firm licensed in the State of Arizona. Pursuant to that requirement, we hereby issue the annual comprehensive financial report of the Queen Creek Unified School District No. 95 (District) for the fiscal year ended June 30, 2024.

This report consists of management's representations concerning the finances of the District. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the District has established a comprehensive internal control framework that is designed both to protect the District's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with accounting principles generally accepted in the United States of America. Because the cost of internal controls should not outweigh their benefits, the District's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free of material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The District's financial statements have been audited by Heinfeld, Meech & Co., P.C., a certified public accounting firm. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2024, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation.

The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the District's financial statements for the fiscal year ended June 30, 2024, are fairly presented in conformity with accounting principles generally accepted in the United States of America. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the District was part of a broader, federally mandated Single Audit as required by the provisions of the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the District's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in a separately issued Single Audit Report.

Accounting principles generally accepted in the United States of America require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the report of the independent auditors.

Profile of the District

The District is one of 58 public school districts located in Maricopa County, Arizona. It provides a program of public education from pre-kindergarten through grade twelve.

The District's Governing Board is organized under Section 15-321 of the Arizona Revised Statutes (A.R.S.). Management of the District is independent of other state or local governments. The County Treasurer collects taxes for the District, but exercises no control over its expenditures/expenses.

The membership of the Governing Board consists of five members elected by the public. Under existing statutes, the Governing Board's duties and powers include, but are not limited to, the acquisition, maintenance and disposition of school property; the development and adoption of a school program; and the establishment, organization and operation of schools. The Board also has broad financial responsibilities, including the approval of the annual budget, and the establishment of a system of accounting and budgetary controls.

The financial reporting entity consists of a primary government and its component units. A component unit is a legally separate entity that must be included in the reporting entity in conformity with generally accepted accounting principles. The District is a primary government because it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. Furthermore, there are no component units combined with the District for financial statement presentation purposes, and the District is not included in any other governmental reporting entity. Consequently, the District's financial statements include only the funds of those organizational entities for which its elected governing board is financially accountable. The District's major operations include education, student transportation, construction and maintenance of District facilities, food services, bookstore, and athletic functions.

The District covers 48 square miles in the southeastern portion of Maricopa County, Arizona. The District overlaps the Town of Queen Creek and the City of Mesa, the principal communities of the District. The District consists of 15 schools: nine elementary schools, two junior high schools, three high schools and one virtual school. The average age of the school buildings is 11 years old. The 2023-24 average daily membership was 13,463, an increase of 4.6% over the previous school year. Projected enrollment for fiscal year 2024-25 is 13,975, an increase of 3.8%. During the 2022-23 fiscal year, the District opened a third high school, Crismon High School. This campus welcomed over 1000 7th-10th graders in its inaugural year and has nearly doubled its enrollment in 2 years. The District employs 52 administrators, 812 certified staff and 733 support service personnel.

The District's tax base continues to have above-average income and housing values. Commercial and industrial building and residential building permits indicate continuing future growth and tax base stabilization.

The District and community have set an expectation of high standards for academic achievement and work ethic for the District's students and employees. Excellence is continuously reinforced as we prepare our students to develop their fullest potential academically, emotionally, and physically. Students, teachers, administrators, and parents all work together to maintain the high performance standards for which the District is recognized. On average, the QCUSD students score above the state and national means on AASA Tests in reading, language, and math. The District is proud to have been named an A-Rated school district by the Arizona Department of Education.

The District maintains budgetary controls as an integral part of its overall system of internal controls. The objective of these budgetary controls is to ensure compliance with legal provisions included in the annual expenditure budget adopted by the District's Governing Board. The annual expenditure budget also serves as the foundation for the District's financial planning and control. Activities of the general fund, special revenue funds, and capital projects funds are included in the annual appropriated budget. The level of budgetary control (i.e., the level at which expenditures cannot legally exceed the appropriated amount) is the total adopted expenditure budget. Arizona Revised Statutes permits the adopted expenditure budget to be revised annually. The District additionally exercises management control and oversight of the budget at the fund level. The District may have overexpenditures of budgeted funds as long as the necessary revenue is earned. The District is not required to prepare an annual budget of revenue; therefore, a deficit budgeted fund balance may be presented.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the District operates.

Local Economy. The Phoenix metropolitan area and the rest of Maricopa County was, once again, one of the fastest growing regional markets in the United States. A few of the major firms represented in the Phoenix metropolitan area include Honeywell International, Inc., Banner Health Systems, Wal-Mart Stores, Inc., Wells Fargo Company, and Meta. The principal economic activity of the Town of Queen Creek and the outlying portions of the Town continues to shift from agriculture as the population of the Town continues to grow. Major employers within the District boundaries are Costco, Kohl's, Target, TRW Vehicle Safety Systems, Inc., and Queen Creek Unified Schools. In addition, the metropolitan area provides excellent educational and training opportunities through seven community colleges, four private colleges and graduate schools, and one state university.

Maricopa County is located in the south-central portion of Arizona and encompasses an area of approximately 9,224 square miles. Its boundaries encompass the cities of Phoenix, Scottsdale, Mesa, Tempe, Glendale, Chandler, and such towns as Gilbert, Paradise Valley, Queen Creek, and Fountain Hills. Maricopa County is currently the nation's fourth largest county in terms of population size and the 15th in land area. The County's 2023 population estimate was 4.6 million.

The District's financial condition is reflective of the local economy. The District's tax base is similar to the Phoenix Metro area. The District's assessed value has increased for ten consecutive years. Developers recognize the southeastern portion of Maricopa County as the next potential growth area. A 2023 report from the US Census Bureau listed Queen Creek as the 7th fastest growing town in the country. The Town of Queen Creek includes a large percentage of young professionals and families with a median household income of \$135,444.

Long-term Financial Planning. The District has utilized a combination of voter approved bonds and overrides to prepare for additional population growth and movement by building, remodeling and equipping the elementary schools, middle school, junior high, and high school with the new technology. However, the District does not currently have bond funding available. QCUSD continues to submit applications annually to the Arizona School Facilities Oversight Board requesting funding for new student space at all levels to support the continuing growth in the District.

Awards and Acknowledgments

Awards. The Association of School Business Officials (ASBO) awarded a Certificate of Excellence in Financial Reporting to the District for its annual comprehensive financial report for the fiscal year ended June 30, 2023. This was the 19th consecutive year that the District has received this award. In addition, the Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its annual comprehensive financial report for the fiscal year ended June 30, 2023. In order to be awarded their certificates, the District published an easily readable and efficiently organized annual comprehensive financial report. This report satisfied both accounting principles generally accepted in the United States of America and applicable legal requirements.

These certificates are valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the programs' requirements and we are submitting it to ASBO and GFOA to determine its eligibility for the fiscal year ended June 30, 2024 certificates.

Acknowledgment. The preparation of the annual comprehensive financial report on a timely basis was made possible by the dedicated service of the entire staff of the business and finance department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report.

Awards and Acknowledgments

In closing, without the leadership and support of the Governing Board of the District, preparation of this report would not have been possible.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Perry Berry'.

Perry Berry, Ed.D.
Superintendent

A handwritten signature in blue ink, appearing to read 'Jessica M. Johnston'.

Jessica M. Johnston
Chief Financial Officer



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

The Certificate of Excellence in Financial Reporting
is presented to

Queen Creek Unified School District No. 95

**for its Annual Comprehensive Financial Report
for the Fiscal Year Ended June 30, 2023.**

The district report meets the criteria established for
ASBO International's Certificate of Excellence in Financial Reporting.



A handwritten signature in black ink, reading 'Ryan S. Stechschulte'.

Ryan S. Stechschulte
SFO
President

A handwritten signature in black ink, reading 'James M. Rowan'.

James M. Rowan, CAE,
CEO/Executive Director



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

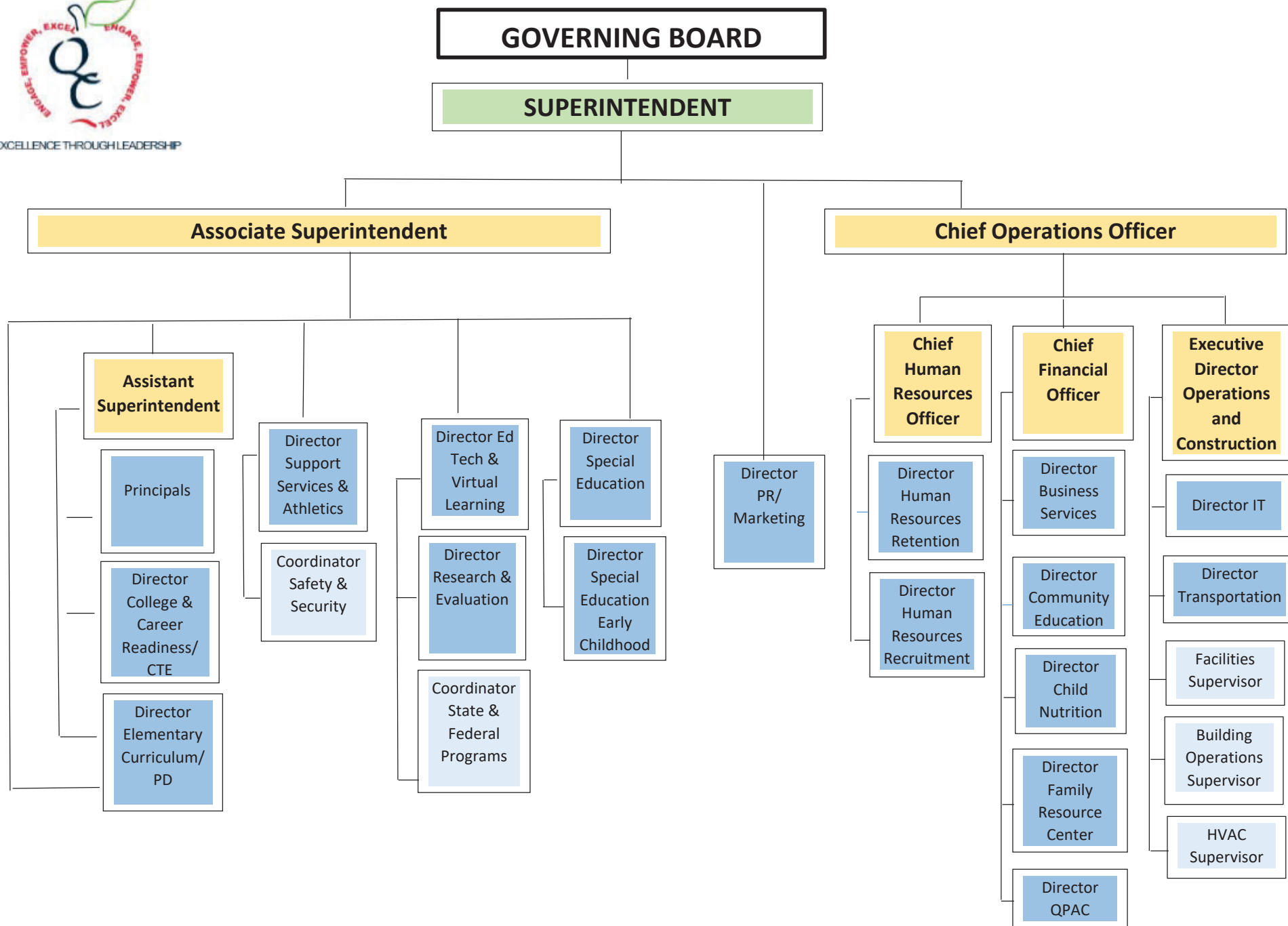
**Queen Creek Unified School District No. 95
Arizona**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morill

Executive Director/CEO



Queen Creek Unified School District No. 95

List of Principal Officials

Governing Board

Jennifer Revolt, President

Samantha Davis, Vice President

Patty Campbell, Member

James Knox, Member

Matthew Riffey, Member

Administrative Staff

Perry Berry, Ed.D., Superintendent

Amber Bordes, Chief Operating Officer

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Financial Section

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Independent Auditor's Report

Governing Board
Queen Creek Unified School District No. 95

Report on Audit of Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Queen Creek Unified School District No. 95 (District), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Queen Creek Unified School District No. 95, as of June 30, 2024, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of Queen Creek Unified School District No. 95 and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for one year beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements. In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, budgetary comparison information, and net pension liability information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The Combining and Individual Fund Financial Statements and Schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Combining and Individual Fund Financial Statements and Schedules information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Introductory Section and Statistical Section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on other work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 16, 2024, on our consideration of Queen Creek Unified School District No. 95's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Queen Creek Unified School District No. 95's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Queen Creek Unified School District No. 95's internal control over financial reporting and compliance.

Heinfeld Meech & Co. PC

Heinfeld, Meech & Co., P.C.
Scottsdale, Arizona
December 16, 2024

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Management's Discussion and Analysis (MD&A)
(Required Supplementary Information)

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Queen Creek Unified School District No. 95
Management's Discussion and Analysis (MD&A)
Year Ended June 30, 2024

As management of the Queen Creek Unified School District No. 95 (District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2024. The management's discussion and analysis is presented as required supplementary information to supplement the basic financial statements. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

Financial Highlights

- The District's total net position of governmental activities increased \$54.9 million which represents a 27 percent increase from the prior fiscal year due primarily to the increase in capital grants and contributions and unrestricted state aid.
- General revenues accounted for \$163.9 million in revenue, or 71 percent of all current fiscal year revenues. Program specific revenue in the form of charges for services and grants and contributions accounted for \$67.9 million or 29 percent of total current fiscal year revenues.
- The District had approximately \$176.8 million in expenses related to governmental activities, an increase of 10 percent from the prior fiscal year as a result of continued expansion of District facilities and an increase in student count.
- Among major funds, the General Fund had \$130.4 million current fiscal year revenues, which primarily consisted of state aid and property taxes, and \$130.1 million in expenditures. The General Fund's fund balance increase from \$22.5 million at the prior fiscal year end to \$23.5 million at the end of the current fiscal year was primarily due to the increase in state aid.

Overview of Financial Statements

This discussion and analysis are intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business. The accrual basis of accounting is used for the government-wide financial statements.

Queen Creek Unified School District No. 95
Management's Discussion and Analysis (MD&A)
Year Ended June 30, 2024

Overview of Financial Statements

The statement of net position presents information on all of the District's assets, liabilities, and deferred inflows/outflows of resources with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused compensated absences).

The government-wide financial statements outline functions of the District that are principally supported by property taxes and intergovernmental revenues. The governmental activities of the District include instruction, support services, operation and maintenance of plant services, student transportation services, operation of non-instructional services, and interest on long-term debt.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District are reported as governmental funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements use the modified accrual basis of accounting and focus on near-term inflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Queen Creek Unified School District No. 95
Management's Discussion and Analysis (MD&A)
Year Ended June 30, 2024

Overview of Financial Statements

Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General, Other Special Revenue, Debt Service, and Other Capital Projects Funds, which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements and schedules.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found immediately following the basic financial statements.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's budget process and pension plan. The District adopts an annual expenditure budget for all governmental funds. A schedule of revenues, expenditures and changes in fund balances – budget and actual has been provided for the General Fund and major Special Revenue Fund as required supplementary information. Schedules for the pension plan have also been provided as required supplementary information.

Government-Wide Financial Analysis

Net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows exceeded liabilities and deferred inflows by \$256.1 million at the current fiscal year end.

The largest portion of the District's net position reflects its investment in capital assets (e.g., land and improvements, buildings and improvements, vehicles, furniture and equipment and construction in progress), less any related outstanding debt used to acquire those assets. The District uses these capital assets to provide services to its students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related outstanding debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. In addition, a portion of the District's net position represents resources that are subject to external restrictions on how they may be used.

Queen Creek Unified School District No. 95
Management's Discussion and Analysis (MD&A)
Year Ended June 30, 2024

Government-Wide Financial Analysis

The following table presents a summary of the District's net position for the fiscal years ended June 30, 2024 and June 30, 2023.

	As of June 30, 2024	As of June 30, 2023
Current and other assets	\$ 112,112,161	\$ 88,384,862
Capital assets, net	446,298,284	401,305,755
Total assets	<u>558,410,445</u>	<u>489,690,617</u>
Deferred outflows	<u>20,771,181</u>	<u>23,614,710</u>
Current and other liabilities	17,130,189	7,184,923
Long-term liabilities	300,241,023	301,456,230
Total liabilities	<u>317,371,212</u>	<u>308,641,153</u>
Deferred inflows	<u>5,699,496</u>	<u>3,500,529</u>
Net position:		
Net investment in capital assets	254,062,286	206,616,934
Restricted	59,763,949	33,027,474
Unrestricted	(57,715,317)	(38,480,763)
Total net position	<u>\$ 256,110,918</u>	<u>\$ 201,163,645</u>

At the end of the current fiscal year, the District reported positive balances in two categories of net position. Unrestricted net position, which is normally used to meet the District's mission reported a deficit of \$46.3 million. The deficit is due to the District's proportionate share of the state pension plan's unfunded liability. The same situation held true for the prior fiscal year.

The District's financial position is the product of several financial transactions including the net result of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets. The following are significant current year transactions that had an impact on the Statement of Net Position.

- The principal retirement of \$7.2 million of bonds.
- The addition of \$56.8 million in capital assets through the construction of a new school site and the renovation of several school sites.
- The increase of \$7.3 million in pension liabilities.
- The increase in accumulated depreciation of \$11.8 million.

Queen Creek Unified School District No. 95
Management's Discussion and Analysis (MD&A)
Year Ended June 30, 2024

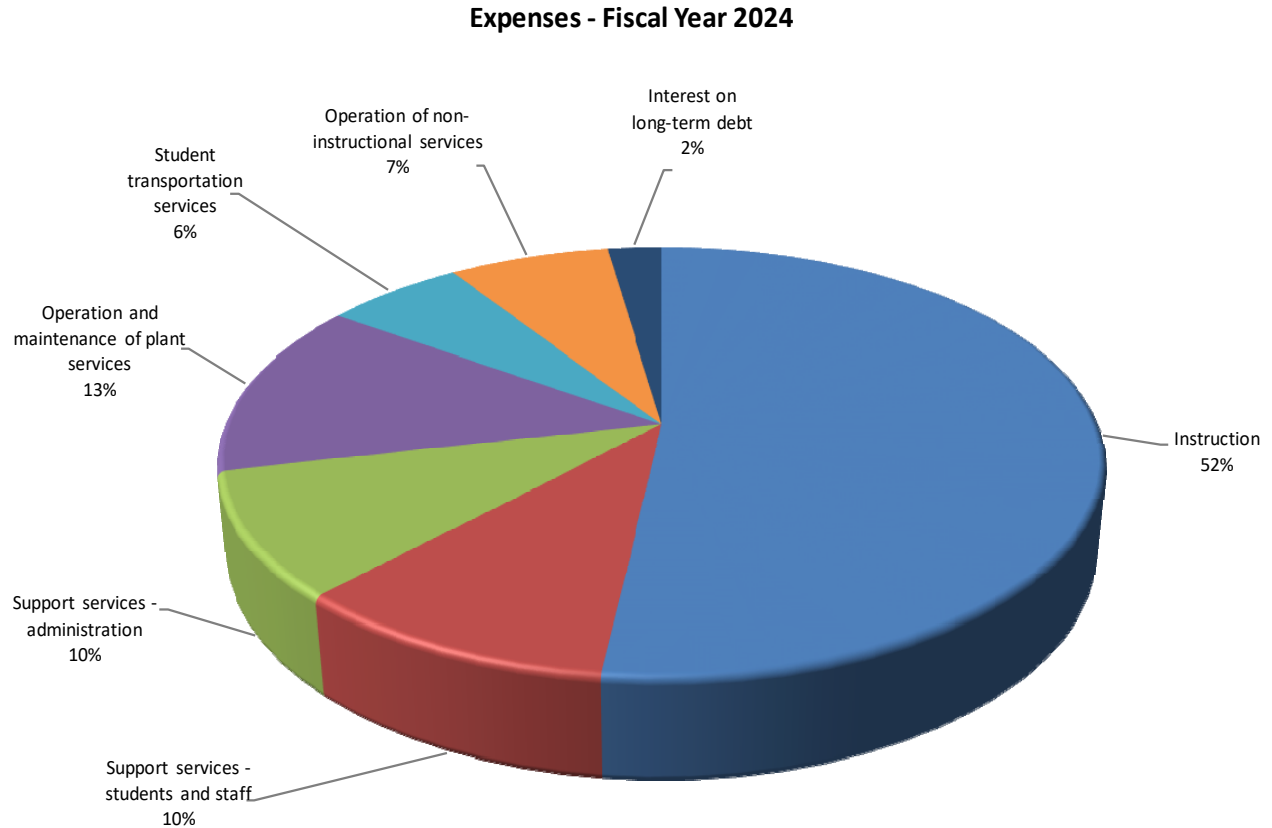
Government-Wide Financial Analysis

Changes in net position. The District's total revenues for the current fiscal year were \$231.8 million. The total cost of all programs and services was \$176.8 million. The following table presents a summary of the changes in net position for the fiscal years ended June 30, 2024 and June 30, 2023.

	Fiscal Year Ended June 30, 2024	Fiscal Year Ended June 30, 2023
Revenues:		
Program revenues:		
Charges for services	\$ 14,822,657	\$ 16,760,531
Operating grants and contributions	11,492,738	15,371,834
Capital grants and contributions	41,557,295	995,456
General revenues:		
Property taxes	59,028,157	50,377,004
Investment income	1,990,540	1,127,145
Unrestricted state aid	101,794,363	89,145,324
Unrestricted federal aid	1,064,584	553,750
Total revenues	<u>231,750,334</u>	<u>174,331,044</u>
Expenses:		
Instruction	91,620,975	83,864,755
Support services - students and staff	18,238,129	15,691,907
Support services - administration	16,624,839	14,087,857
Operation and maintenance of plant services	23,285,758	19,714,189
Student transportation services	10,661,654	8,568,949
Operation of non-instructional services	12,303,310	12,402,825
Interest on long-term debt	4,068,396	6,850,778
Total expenses	<u>176,803,061</u>	<u>161,181,260</u>
Changes in net position	54,947,273	13,149,784
Net position, beginning	<u>201,163,645</u>	<u>188,013,861</u>
Net position, ending	<u><u>\$ 256,110,918</u></u>	<u><u>\$ 201,163,645</u></u>

Queen Creek Unified School District No. 95
Management's Discussion and Analysis (MD&A)
Year Ended June 30, 2024

Government-Wide Financial Analysis



The following are significant current year transactions that have had an impact on the change in net position.

- An increase in capital grants and contributions of \$40.6 million as a result of revenues received from the Arizona School Facilities Oversight Board for the construction of new school facilities.
- An increase in unrestricted state aid of \$12.6 million due to increase in state per-pupil funding amounts for both equalization and classroom site funds.

The following table presents the cost of the District's major functional activities. The table also shows each function's net cost (total cost less charges for services generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial burden that was placed on the State and District's taxpayers by each of these functions.

Queen Creek Unified School District No. 95
Management's Discussion and Analysis (MD&A)
Year Ended June 30, 2024

Government-Wide Financial Analysis

	Year Ended June 30, 2024		Year Ended June 30, 2023	
	Total	Net (Expense)/	Total	Net (Expense)/
	Expenses	Revenue	Expenses	Revenue
Instruction	\$ 91,620,975	\$ (42,616,179)	\$ 83,864,755	\$ (71,158,685)
Support services - students and staff	18,238,129	(16,459,839)	15,691,907	(13,317,621)
Support services - administration	16,624,839	(16,265,233)	14,087,857	(13,290,257)
Operation and maintenance of plant services	23,285,758	(19,584,450)	19,714,189	(18,184,289)
Student transportation services	10,661,654	(9,665,140)	8,568,949	(7,059,960)
Operation of non-instructional services	12,303,310	(271,134)	12,402,825	1,808,151
Interest on long-term debt	4,068,396	(4,068,396)	6,850,778	(6,850,778)
Total	<u>\$ 176,803,061</u>	<u>\$ (108,930,371)</u>	<u>\$ 161,181,260</u>	<u>\$ (128,053,439)</u>

- The cost of all governmental activities this year was \$176.8 million.
- Federal and State governments and charges for services subsidized certain programs with grants and contributions and other local revenues of \$67.9 million.
- Net cost of governmental activities of \$108.9 million was financed by general revenues, which are made up of primarily property taxes of \$59.0 million and state aid of \$101.8 million.

Financial Analysis of the District's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

The financial performance of the District as a whole is reflected in its governmental funds. As the District completed the year, its governmental funds reported a combined fund balance of \$82.4 million, an increase of \$13.6 million due primarily to an increase in state aid.

Queen Creek Unified School District No. 95
Management's Discussion and Analysis (MD&A)
Year Ended June 30, 2024

Financial Analysis of the District's Funds

The General Fund comprises 29 percent of the total fund balance. Approximately \$23.4 million, or almost all of the General Fund's fund balance is unassigned.

The General Fund is the principal operating fund of the District. The fund balance increased \$1.0 million to \$22.5 million as of fiscal year end. General Fund revenues increased \$15.9 million primarily due to an increase in state aid. General Fund expenditures increased \$13.1 million primarily due to an increase in student count.

The Other Special Revenue Fund's fund balance increase of \$2.2 million to \$15.4 million as of fiscal year end was primarily due to Community School revenues exceeding expenditures.

The Debt Service Fund's fund balance increased \$128,706 to \$1.6 million as of fiscal year end, which was not significant.

The Other Capital Projects Fund's fund balance decrease of \$6.4 million to \$13.0 million as of fiscal year end was due to continued spending of funding received in prior years for capital needs.

Budgetary Highlights

Over the course of the year, the District revised the General Fund annual expenditure budget for changes in average daily membership of the District. The difference between the original budget and the final amended budget was a \$4.4 million increase due to average daily membership exceeding expectations.

Significant variances for the final amended budget and actual revenues resulted from the District not being required by the State of Arizona to prepare a revenue budget. A schedule showing the original and final budget amounts compared to the District's actual financial activity for the General Fund is provided in this report as required supplementary information. The variance between the final amended budget and actual expenditures of three percent was due to the significant favorable variance of \$5.9 million in instruction, which was the result of budgeting to the maximum general budget limit and utilizing additional funding available to maximize budget carryforward to provide capacity in the future years for contingencies and student growth.

Queen Creek Unified School District No. 95
Management's Discussion and Analysis (MD&A)
Year Ended June 30, 2024

Capital Assets and Debt Administration

Capital Assets. At year end, the District had invested \$537.3 million in capital assets, including school buildings, athletic facilities, buses and other vehicles, computers, and other equipment. This amount represents a net increase prior to depreciation of \$56.4 million from the prior fiscal year, primarily due to significant additions to multiple school sites and the constructions of a new elementary school. Total depreciation expense for the current fiscal year was \$11.8 million.

The following schedule presents a summary of capital asset balances for the fiscal years ended June 30, 2024 and June 30, 2023.

	As of June 30, 2024	As of June 30, 2023
Capital assets - non-depreciable	\$ 118,233,426	\$ 77,477,707
Capital assets - depreciable, net	328,064,858	323,828,048
Total	<u>\$ 446,298,284</u>	<u>\$ 401,305,755</u>

The estimated cost to complete current construction projects is \$30.4 million.

Additional information on the District's capital assets can be found in Note 7.

Debt Administration. At year end, the District had \$203.9 million in long-term debt outstanding, \$9.5 million due within one year. Long-term debt decreased by \$8.2 million due to principal retirement of bonds.

The District's general obligation bonds are subject to two limits; the Constitutional debt limit (total debt limit) on all general obligation bonds (up to 30 percent of the total net full cash assessed valuation) and the statutory debt limit on Class B bonds (the greater of 20 percent of the net full cash assessed valuation or \$1,500 per student). The current total debt limitation for the District is \$516.7 million and the Class B debt limit is \$344.4 million, which are more than the District's total outstanding general obligation and Class B debt, respectively.

Additional information on the District's long-term debt can be found in Notes 10 through 12.

Economic Factors and Next Year's Budget and Rates

Many factors were considered by the District's administration during the process of developing the fiscal year 2024-25 budget. Among them:

- Fiscal year 2023-24 budget balance carry forward (estimated \$5.2 million)
- District student population (estimated average daily membership of 13,481)

**Queen Creek Unified School District No. 95
Management's Discussion and Analysis (MD&A)
Year Ended June 30, 2024**

Economic Factors and Next Year's Budget and Rates

Also considered in the development of the budget is the local economy and inflation of the surrounding area.

Budgeted expenditures in the General Fund decreased two percent to \$115.0 million in fiscal year 2024-25. One-time funding received in fiscal year 2023-24 is the primary reason for the decrease. State aid and property taxes are expected to be the primary funding sources. No new programs were added to the 2023-24 budget.

Contacting the District's Financial Management

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the resources it receives. If you have questions about this report or need additional information, contact the Business and Finance Department, Queen Creek Unified School District No. 95, 20217 East Chandler Heights Road, Queen Creek, Arizona 85142.

Basic Financial Statements

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Government-Wide Financial Statements

Queen Creek Unified School District No. 95
Statement of Net Position
June 30, 2024

	Governmental
	Activities
Assets	
Current assets:	
Cash and investments	\$ 87,754,477
Property taxes receivable	662,796
Due from governmental entities	21,149,533
Inventory	144,665
Leases receivable	2,400,690
Total current assets	<u>112,112,161</u>
Noncurrent assets:	
Capital assets not being depreciated	118,233,426
Capital assets, net accumulated depreciation	<u>328,064,858</u>
Total noncurrent assets	<u>446,298,284</u>
Total assets	<u>558,410,445</u>
Deferred outflows of resources	
Deferred charge on refunding	223,766
Pension plan items	<u>20,547,415</u>
Total deferred outflows of resources	<u>20,771,181</u>
Liabilities	
Current liabilities:	
Accounts payable	11,701,097
Accrued payroll and employee benefits	1,193,899
Claims and judgments payable	1,760,043
Compensated absences payable	305,939
Financed purchases payable	2,253,000
Bonds payable	7,255,000
Accrued interest payable	2,475,150
Total current liabilities	<u>26,944,128</u>
Noncurrent liabilities:	
Non-current portion of long-term obligations	<u>290,427,084</u>
Total noncurrent liabilities	<u>290,427,084</u>
Total liabilities	<u>317,371,212</u>
Deferred inflows of resources	
Pension plan items	3,348,918
Leases	<u>2,350,578</u>
Total deferred inflows of resources	<u>5,699,496</u>
Net position	
Net investment in capital assets	254,062,286
Restricted for:	
Instruction	19,339,308
Food service	4,374,165
Non-instructional purposes	10,890,743
Debt service	1,686,038
Capital outlay	23,473,695
Unrestricted	<u>(57,715,317)</u>
Total net position	<u>\$ 256,110,918</u>

Queen Creek Unified School District No. 95
Statement of Activities
For the Year Ended June 30, 2024

Functions/Programs	Expenses	Program Revenue			Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position
					Governmental Activities
Governmental activities					
Instruction	\$ 91,620,975	\$ 4,146,346	\$ 3,959,051	\$ 40,899,399	\$ (42,616,179)
Support services - students and staff	18,238,129	246,976	1,531,314		(16,459,839)
Support services - administration	16,624,839	94,120	265,486		(16,265,233)
Operation and maintenance of plant services	23,285,758	1,091,176	1,952,236	657,896	(19,584,450)
Student transportation services	10,661,654	336,383	660,131		(9,665,140)
Operation of non-instructional services	12,303,310	8,907,656	3,124,520		(271,134)
Interest on long-term debt	4,068,396				(4,068,396)
Total governmental activities	<u>\$ 176,803,061</u>	<u>\$ 14,822,657</u>	<u>\$ 11,492,738</u>	<u>\$ 41,557,295</u>	<u>(108,930,371)</u>
General revenues					
Property taxes					59,028,157
Investment income					1,990,540
Unrestricted state aid					101,794,363
Unrestricted federal aid					<u>1,064,584</u>
Total general revenues					<u>163,877,644</u>
Changes in net position					54,947,273
Net position, beginning of year					<u>201,163,645</u>
Net position, end of year					<u>\$ 256,110,918</u>

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Fund Financial Statements

Queen Creek Unified School District No. 95
Balance Sheet
Governmental Funds
June 30, 2024

	General	Other Special Revenue	Debt Service	Other Capital Projects
Assets				
Cash and investments	\$ 11,290,462	\$ 16,193,792	\$ 11,283,628	\$ 20,206,260
Property taxes receivable	530,236		132,560	
Due from governmental entities	16,545,853	843,233		2,199,190
Inventory	74,869			
Leases receivable	2,400,690			
Total assets	<u>\$ 30,842,110</u>	<u>\$ 17,037,025</u>	<u>\$ 11,416,188</u>	<u>\$ 22,405,450</u>
Liabilities				
Accounts payable	\$ 984,918	\$ 699,804		\$ 9,449,251
Accrued payroll and employee benefits	977,359	121,478		
Claims and judgments payable	1,760,043			
Bonds payable			7,255,000	
Bond interest payable			2,475,150	
Total liabilities	<u>3,722,320</u>	<u>821,282</u>	<u>9,730,150</u>	<u>9,449,251</u>
Deferred inflows of resources				
Unavailable revenues - property taxes	259,677		63,015	
Unavailable revenues - intergovernmental	1,016,256	843,233		
Leases	2,350,578			
Total deferred inflows of resources	<u>3,626,511</u>	<u>843,233</u>	<u>63,015</u>	
Fund balances				
Nonspendable	74,869			
Restricted		15,372,510	1,623,023	12,956,199
Unassigned	23,418,410			
Total fund balances	<u>23,493,279</u>	<u>15,372,510</u>	<u>1,623,023</u>	<u>12,956,199</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 30,842,110</u>	<u>\$ 17,037,025</u>	<u>\$ 11,416,188</u>	<u>\$ 22,405,450</u>

Non-Major Governmental Funds	Total Governmental Funds
\$ 28,780,335	\$ 87,754,477
	662,796
1,561,257	21,149,533
69,796	144,665
	2,400,690
<u>\$ 30,411,388</u>	<u>\$ 112,112,161</u>
\$ 567,124	\$ 11,701,097
95,062	1,193,899
	1,760,043
	7,255,000
	2,475,150
<u>662,186</u>	<u>24,385,189</u>
	322,692
784,539	2,644,028
	2,350,578
<u>784,539</u>	<u>5,317,298</u>
69,796	144,665
28,894,867	58,846,599
	23,418,410
<u>28,964,663</u>	<u>82,409,674</u>
<u>\$ 30,411,388</u>	<u>\$ 112,112,161</u>

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Queen Creek Unified School District No. 95
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
June 30, 2024

Total fund balances - governmental funds **\$ 82,409,674**

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Governmental capital assets	\$ 537,345,200	
Less accumulated depreciation/amortization	<u>(91,046,916)</u>	
		446,298,284

Some receivables are not available to pay for current period expenditures and, therefore, are reported as unavailable revenues in the funds.

Property taxes	322,692	
Intergovernmental	<u>2,644,028</u>	
		2,966,720

Deferred items related to the refunding of bonds are amortized over the life of the associated bond issue in the government-wide statements but not reported in the funds.

223,766

Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.

Deferred outflows of resources related to pensions	20,547,415	
Deferred inflows of resources related to pensions	<u>(3,348,918)</u>	
		17,198,497

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.

Compensated absences payable	(1,683,223)	
Financed purchases payable	(78,317,000)	
Bonds payable	(118,332,438)	
Net pension liability	<u>(94,653,362)</u>	
		<u>(292,986,023)</u>

Net position of governmental activities **\$ 256,110,918**

Queen Creek Unified School District No. 95
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2024

	General	Federal and State Grants	Other Special Revenue	Debt Service
Revenues				
Other local	\$ 4,149,091		\$ 8,547,089	\$ 164,852
Property taxes	37,220,295			12,171,554
State aid and grants	87,973,859			
Federal aid, grants and reimbursements	<u>1,064,584</u>			
Total revenues	<u>130,407,829</u>		<u>8,547,089</u>	<u>12,336,406</u>
Expenditures				
Current:				
Instruction	61,927,321		1,578,430	
Support services - students and staff	14,727,832		437,257	
Support services - administration	13,307,439		187,835	
Operation and maintenance of plant services	17,776,290		144,228	
Student transportation services	6,752,413		557,123	
Operation of non-instructional services	2,266,909		3,058,025	
Capital outlay	13,390,675		407,904	
Debt service:				
Principal retirement				7,255,000
Interest and fiscal charges				<u>4,952,700</u>
Total expenditures	<u>130,148,879</u>		<u>6,370,802</u>	<u>12,207,700</u>
Excess (deficiency) of revenues over expenditures	<u>258,950</u>		<u>2,176,287</u>	<u>128,706</u>
Other financing sources (uses)				
Transfers in	747,910			
Transfers out				
Insurance recoveries	<u>18,194</u>			
Total other financing sources (uses)	<u>766,104</u>			
Changes in fund balances	<u>1,025,054</u>		<u>2,176,287</u>	<u>128,706</u>
Fund balances, beginning of year, previously reported	22,468,225	(1,132,834)	13,196,223	1,494,317
Adjustments to beginning fund balances		<u>1,132,834</u>		
Fund balances, beginning of year, as restated	<u>22,468,225</u>		<u>13,196,223</u>	<u>1,494,317</u>
Fund balances, end of year	<u>\$ 23,493,279</u>	<u>\$</u>	<u>\$ 15,372,510</u>	<u>\$ 1,623,023</u>

Other Capital Projects	Non-Major Governmental Funds	Total Governmental Funds
\$ 658,197	\$ 4,199,898	\$ 17,719,127
	9,605,000	58,996,849
40,907,871	13,969,985	142,851,715
	<u>12,146,140</u>	<u>13,210,724</u>
<u>41,566,068</u>	<u>39,921,023</u>	<u>232,778,415</u>
	10,875,088	74,380,839
	1,333,766	16,498,855
	305,717	13,800,991
	805,175	18,725,693
	573,654	7,883,190
	5,509,026	10,833,960
47,971,813	3,066,453	64,836,845
		7,255,000
		<u>4,952,700</u>
<u>47,971,813</u>	<u>22,468,879</u>	<u>219,168,073</u>
<u>(6,405,745)</u>	<u>17,452,144</u>	<u>13,610,342</u>
		747,910
	(747,910)	(747,910)
		<u>18,194</u>
	<u>(747,910)</u>	<u>18,194</u>
<u>(6,405,745)</u>	<u>16,704,234</u>	<u>13,628,536</u>
19,361,944	13,393,263	68,781,138
	<u>(1,132,834)</u>	
<u>19,361,944</u>	<u>12,260,429</u>	<u>68,781,138</u>
<u>\$ 12,956,199</u>	<u>\$ 28,964,663</u>	<u>\$ 82,409,674</u>

Queen Creek Unified School District No. 95
Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2024

Changes in fund balances - total governmental funds **\$ 13,628,536**

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report the portion of capital outlay for capitalized assets as expenditures. However, in the Statement of Activities, the costs of those assets are allocated over their estimated useful lives and reported as depreciation/amortization expense.

Expenditures for capitalized assets	\$ 56,779,140	
Less current year depreciation/amortization	<u>(11,779,127)</u>	
		45,000,013

Some revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.

Property taxes	31,308	
Intergovernmental	<u>(1,077,583)</u>	
		(1,046,275)

Repayments of long-term debt principal are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.

Bond principal retirement	<u>7,255,000</u>	
		7,255,000

Governmental funds report pension contributions as expenditures. However, they are reported as deferred outflows of resources in the Statement of Net Position. The change in the net pension liability, adjusted for deferred items, is reported as pension expense in the Statement of Activities.

Current year pension contributions	9,887,674	
Pension expense	<u>(21,057,036)</u>	
		(11,169,362)

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Deferred bond items on issuance of refunding debt	(70,797)	
Loss on disposal of assets	(7,484)	
Amortization of deferred bond items	955,101	
Compensated absences	<u>402,541</u>	
		<u>1,279,361</u>

Changes in net position in governmental activities **\$ 54,947,273**

Queen Creek Unified School District No. 95
Notes to Financial Statements
June 30, 2024

Note 1 – Summary of Significant Accounting Policies

The financial statements of the Queen Creek Unified School District No. 95 (District) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The more significant of the District's accounting policies are described below.

A. Reporting Entity

The Governing Board is organized under Section 15-321 of the Arizona Revised Statutes (A.R.S.). Management of the District is independent of other state or local governments. The County Treasurer collects taxes for the District, but exercises no control over its expenditures/expenses.

The membership of the Governing Board consists of five members elected by the public. Under existing statutes, the Governing Board's duties and powers include, but are not limited to, the acquisition, maintenance and disposition of school property; the development and adoption of a school program; and the establishment, organization and operation of schools.

The Board also has broad financial responsibilities, including the approval of the annual budget, and the establishment of a system of accounting and budgetary controls.

The financial reporting entity consists of a primary government and its component units. A component unit is a legally separate entity that must be included in the reporting entity in conformity with generally accepted accounting principles. The District is a primary government because it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. Furthermore, there are no component units combined with the District for financial statement presentation purposes, and the District is not included in any other governmental reporting entity. Consequently, the District's financial statements include only the funds of those organizational entities for which its elected governing board is financially accountable. The District's major operations include education, student transportation, construction and maintenance of District facilities, food services, bookstore, and athletic functions.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) present financial information about the District as a whole. The reported information includes all of the nonfiduciary activities of the District. For the most part, the effect of internal activity has been removed from these statements. These statements are to distinguish between the governmental and business-type activities of the District. Governmental activities normally are supported by taxes and intergovernmental revenues, and are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The District does not have any business-type activities or fiduciary activities.

Queen Creek Unified School District No. 95
Notes to Financial Statements
June 30, 2024

Note 1 – Summary of Significant Accounting Policies

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. The District does not allocate indirect expenses to programs of functions. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes, unrestricted federal and state aid, and other items not included among program revenues are reported instead as general revenues.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-Wide Financial Statements – The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the grantor or provider have been met. As a general rule, the effect of internal activity has been eliminated from the government-wide financial statements; however, the effects of interfund services provided and used between functions are reported as expenses and program revenues at amounts approximating their external exchange value.

Fund Financial Statements – Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. As permitted by generally accepted accounting principles the District applies the “early recognition” option for debt service payments. Property tax resources are provided in the Debt Service Fund during the current year for the payment of debt service principal and interest due early in the following year (less than one month). Therefore, the expenditures and related liabilities have been recognized in the current period. Capital asset acquisitions are reported as expenditures in governmental funds. Issuances of long-term debt and acquisitions under lease contracts and subscription-based information technology arrangements are reported as other financing sources.

Queen Creek Unified School District No. 95
Notes to Financial Statements
June 30, 2024

Note 1 – Summary of Significant Accounting Policies

Property taxes, state aid, tuition and investment income associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Food services and miscellaneous revenues are not susceptible to accrual because generally they are not measurable until received in cash. Grants and similar awards are recognized as revenue as soon as all eligibility requirements imposed by the grantor or provider have been met. Unearned revenues arise when resources are received by the District before it has legal claim to them, as when grant monies are received prior to meeting all eligibility requirements imposed by the provider.

Delinquent property taxes and other receivables that will not be collected within the available period have been reported as unavailable revenues on the governmental fund financial statements.

The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column.

The District reports the following major governmental funds:

General Fund – The General Fund is the District’s primary operating fund. It accounts for all resources used to finance District maintenance and operation except those required to be accounted for in other funds. The General Fund includes the District’s Maintenance and Operation Fund and the Unrestricted Capital Outlay Fund, as well as certain activities budgeted in separate funds in accordance with A.R.S. These funds are maintained as separate funds for budgetary purposes but do not meet the criteria for separate reporting in the financial statements.

Other Special Revenue Funds – The Other Special Revenue Funds account for the revenues and expenditures of other special revenue activities, including the following: civic center, community school, extracurricular activities fees tax credit, and student activities. Primary revenue sources are charges for use of school facilities and charges for participation in programs for academic and skill development for all citizens within the District, as allowed by statute.

Debt Service Fund – The Debt Service Fund accounts for the accumulation of resources for, and the payment of, long-term debt principal, interest and related costs.

Other Capital Projects Funds – The Other Capital Projects Funds account for the revenues and expenditures of other capital projects activities, including the following: gifts and donations - capital, energy water and savings, building renewal grant, and new school facilities.

Queen Creek Unified School District No. 95
Notes to Financial Statements
June 30, 2024

Note 1 – Summary of Significant Accounting Policies

D. Cash and Investments

A.R.S. require the District to deposit all cash with the County Treasurer, except as discussed below. Cash with the County Treasurer is pooled for investment purposes, except for cash of the Debt Service and Bond Building Funds that may be invested separately. Interest earned from investments purchased with pooled monies is allocated to each of the District's funds based on their average balances. As required by statute, interest earnings of the Bond Building Fund are recorded initially in that fund, but then transferred to the Debt Service Fund. All investments are stated at fair value.

Statute authorizes the District to separately invest monies of the Bond Building and Debt Service Funds in the State Treasurer's investment pools; obligations issued and guaranteed by the United States or any of its agencies or instrumentalities; specified state and local government bonds and notes; and interest bearing savings accounts or certificates of deposit.

Statute authorizes the District to deposit monies of the Auxiliary Operations and Student Activities Funds in bank accounts. Monies in these funds may also be invested. In addition, statute authorizes the District to maintain various bank accounts such as clearing accounts to temporarily deposit receipts before they are transmitted to the County Treasurer; revolving accounts to pay minor disbursements; and withholdings accounts for taxes and employee insurance programs. Some of these bank accounts may be interest bearing.

Statute does not include any requirements for credit risk, concentration of credit risk, interest rate risk, or foreign currency risk. Arizona statute requires a pooled collateral program for public deposits and a Statewide Collateral Pool Administrator (Administrator) in the State Treasurer's Office. The purpose of the pooled collateral program is to ensure that governmental entities' public deposits placed in participating depositories are secured with collateral of 102 percent of the public deposits, less any applicable federal depository insurance. An eligible depository may not retain or accept any public deposit unless it has deposited the required collateral with a qualified escrow agent or the Administrator. The Administrator manages the pooled collateral program, including reporting on each depository's compliance with the program.

E. Investment Income

Investment income is composed of interest, dividends, and net changes in the fair value of applicable investments. Investment income is included in other local revenue in the fund financial statements.

Queen Creek Unified School District No. 95
Notes to Financial Statements
June 30, 2024

Note 1 – Summary of Significant Accounting Policies

F. Receivables and Payables

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.” Interfund balances between governmental funds are eliminated on the Statement of Net Position.

All receivables, including property taxes receivable, are shown net of an allowance for uncollectibles.

G. Property Tax Calendar

The County Treasurer is responsible for collecting property taxes for all governmental entities within the county. The county levies real and personal property taxes on or before the third Monday in August that become due and payable in two equal installments. The first installment is due on the first day of October and becomes delinquent after the first business day of November. The second installment is due on the first day of March of the next year and becomes delinquent after the first business day of May.

Pursuant to A.R.S., a lien against assessed real and personal property attaches on the first day of January preceding assessment and levy; however according to case law, an enforceable legal claim to the asset does not arise.

H. Inventory

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories consist of expendable supplies held for consumption. The cost of such inventories is recorded as expenditures/expenses when consumed rather than when purchased.

The United States Department of Agriculture (USDA) commodity portion of the food services inventory consists of food donated by the USDA. It is valued at estimated market prices paid by the USDA.

I. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Queen Creek Unified School District No. 95
Notes to Financial Statements
June 30, 2024

Note 1 – Summary of Significant Accounting Policies

J. Capital Assets

Capital assets, which include land and improvements; buildings and improvements; vehicles, furniture, and equipment; and construction in progress are reported in the government-wide financial statements.

Capital assets are defined by the District as assets with an initial, individual cost in excess of \$5,000 and an estimated useful life of more than one year. Capital assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Land improvements	15 – 50 years
Buildings and improvements	20 – 50 years
Vehicles, furniture and equipment	5 – 25 years

K. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position may report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position may report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

Queen Creek Unified School District No. 95
Notes to Financial Statements
June 30, 2024

Note 1 – Summary of Significant Accounting Policies

L. Compensated Absences

The District's employee vacation and sick leave policies generally provide for granting vacation and sick leave with pay in varying amounts. Only benefits considered vested are recognized in the financial statements. The liability for vacation and sick leave is reported in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee leave, resignations and retirements. Generally, resources from the General Fund are used to pay for compensated absences.

M. Leases

As lessor, the District recognizes lease receivables with an initial, individual value of \$50,000 or more. If there is no stated rate in the lease contract (or if the stated rate is not the rate the District charges the lessee) and the implicit rate cannot be determined, the District uses an interest rate based on the Applicable Federal Rate as the discount rate to measure lease receivables.

N. Pensions

For purposes of measuring the net pension liability, related deferred outflows of resources and deferred inflows of resources, and pension expense, information about the pension plan's fiduciary net position and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

O. Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities on the statement of net position. Bond premiums and discounts are amortized over the life of the bonds using the straight-line method. Deferred amounts on refunding result from the difference between the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Queen Creek Unified School District No. 95
Notes to Financial Statements
June 30, 2024

Note 1 – Summary of Significant Accounting Policies

P. Interfund Activity

Flows of cash from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers between governmental funds are eliminated in the Statement of Activities. Interfund transfers in the fund financial statements are reported as other financing sources/uses in governmental funds.

Q. Net Position Flow Assumption

In the government-wide fund financial statements the District applies restricted resources first when outlays are incurred for purposes for which either restricted or unrestricted amounts are available.

R. Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Note 2 – Fund Balance Classifications

Fund balances of the governmental funds are reported separately within classifications based on a hierarchy of the constraints placed on the use of those resources. The classifications are based on the relative strength of the constraints that control how the specific amounts can be spent. The classifications are nonspendable, restricted, and unrestricted, which includes committed, assigned, and unassigned fund balance classifications.

Nonspendable. The nonspendable fund balance classification includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact.

Restricted. Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions or enabling legislation.

Queen Creek Unified School District No. 95
Notes to Financial Statements
June 30, 2024

Note 2 – Fund Balance Classifications

Committed. The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action of the Governing Board. Those committed amounts cannot be used for any other purpose unless the Governing Board removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. The District does not have a formal policy or procedures for the utilization of committed fund balance, accordingly, no committed fund balance amounts are reported.

Assigned. Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by the Governing Board or a management official delegated that authority by the formal Governing Board action. The District does not have a formal policy or procedures for the utilization of assigned fund balance, accordingly, no assigned fund balance amounts are reported.

Unassigned. Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The District applies restricted resources first when outlays are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

Queen Creek Unified School District No. 95
Notes to Financial Statements
June 30, 2024

Note 2 – Fund Balance Classifications

The table below provides detail of the major components of the District's fund balance classifications at year end. Voter approved initiatives include monies restricted in the Classroom Site and Instructional Improvement Funds, both non-major governmental funds.

	General	Other Special Revenue	Debt Service	Other Capital Projects	Non-Major Governmental Funds
Fund Balances:					
Nonspendable:					
Inventory	\$ 74,869	\$	\$	\$	\$ 69,796
Restricted:					
Debt service			1,623,023		
Capital projects				12,956,199	10,517,496
Voter approved initiatives					12,080,988
Federal and state projects					1,992,014
Food service					4,304,369
Civic center		1,309,378			
Community schools		7,948,391			
Extracurricular activities		1,147,333			
Insurance refund		890,673			
CTED		2,878,004			
Student activities		428,109			
District services		741,507			
Other purposes		29,115			
Unassigned	23,418,410				
Total fund balances	<u>\$ 23,493,279</u>	<u>\$ 15,372,510</u>	<u>\$ 1,623,023</u>	<u>\$ 12,956,199</u>	<u>\$ 28,964,663</u>

Note 3 – Stewardship, Compliance and Accountability

Excess Expenditures Over Budget – At year end, the District had expenditures in a fund that exceeded the budget, however, this does not constitute a violation of any legal provisions.

Queen Creek Unified School District No. 95
Notes to Financial Statements
June 30, 2024

Note 4 – Cash and Investments

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of bank failure the District's deposits may not be returned to the District. The District does not have a deposit policy for custodial credit risk. At year end, the carrying amount of the District's deposits was \$1,332,675 and the bank balance was \$1,433,946. At year end, \$624,528 of the District's deposits were covered by depository insurance or collateral held by the pledging financial institution's trust department or agent but not in the District's name.

Fair Value Measurements. The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset.

- Level 1 inputs are quoted prices in active markets for identical assets
- Level 2 inputs are significant other observable inputs
- Level 3 inputs are significant unobservable inputs

The County Treasurer's pool is an external investment pool with no regulatory oversight. The pool is not required to register (and is not registered) with the Securities and Exchange Commission. The fair value of each participant's position in the County Treasurer investment pool approximates the value of the participant's shares in the pool and the participants' shares are not identified with specific investments. Participants in the pool are not required to categorize the value of shares in accordance with the fair value hierarchy.

At year end, the District's investments consisted of the following:

	<u>Average</u>	<u>Fair Value</u>
County Treasurer's investment pool	365 days	\$ 86,421,802

Interest Rate Risk. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk. The District has no investment policy that would further limit its investment choices. As of year end, the District's investment in the County Treasurer's investment pool did not receive a credit quality rating from a national rating agency.

Custodial Credit Risk – Investments. The District's investment in the County Treasurer's investment pool represents a proportionate interest in the pool's portfolio; however, the District's portion is not identified with specific investments and is not subject to custodial credit risk.

Queen Creek Unified School District No. 95
Notes to Financial Statements
June 30, 2024

Note 5 – Receivables

Receivable balances, net of allowance for uncollectibles, have been disaggregated by type and presented separately in the financial statements with the exception of due from governmental entities. Due from governmental entities, net of allowance for uncollectibles, as of year end for the District's individual major funds and non-major governmental funds in the aggregate were as follows:

	General	Other Special Revenue	Other Capital Projects	Non-Major Governmental Funds
Due from other governmental entities:				
Due from federal government	\$	\$	\$	\$ 1,035,700
Due from state government	16,545,853		2,199,190	525,557
Due from other districts		843,233		
Net due from governmental entities	<u>\$ 16,545,853</u>	<u>\$ 843,233</u>	<u>\$ 2,199,190</u>	<u>\$ 1,561,257</u>

Note 6 – Leases Receivable

The District acts as lessor in various telecommunications agreements under the provisions of contracts classified as leases. The related receivables under the lease agreements have been recorded at the present value of their future minimum lease payments as of the inception date. Lease revenue of \$166,118 and related interest revenue of \$5,920 are recorded as other local revenue in the General Fund.

Future minimum lease payments to be received under the lease agreements at year end are summarized as follows:

Year Ending June 30:		
2025	\$	151,035
2026		153,612
2027		155,722
2028		158,190
2029		163,891
2030-34		663,598
2035-39		469,110
2040-44		435,594
2045-48		105,415
Total	<u>\$</u>	<u>2,456,167</u>

Queen Creek Unified School District No. 95
Notes to Financial Statements
June 30, 2024

Note 7 – Capital Assets

A summary of capital asset activity for the current fiscal year follows:

Governmental Activities	Beginning Balance	Increase	Decrease	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 67,445,672	\$ 11,285,901	\$	\$ 78,731,573
Construction in progress	10,032,035	50,950,855	21,481,037	39,501,853
Total capital assets, not being depreciated	<u>77,477,707</u>	<u>62,236,756</u>	<u>21,481,037</u>	<u>118,233,426</u>
Capital assets, being depreciated:				
Land improvements	31,816,502	279,539		32,096,041
Buildings and improvements	345,333,033	10,201,216		355,534,249
Vehicles, furniture and equipment	26,341,220	5,542,666	402,402	31,481,484
Total capital assets being depreciated	<u>403,490,755</u>	<u>16,023,421</u>	<u>402,402</u>	<u>419,111,774</u>
Less accumulated depreciation for:				
Land improvements	(5,743,384)	(1,489,945)		(7,233,329)
Buildings and improvements	(60,891,593)	(8,526,342)		(69,417,935)
Vehicles, furniture and equipment	(13,027,730)	(1,762,840)	(394,918)	(14,395,652)
Total accumulated depreciation	<u>(79,662,707)</u>	<u>(11,779,127)</u>	<u>(394,918)</u>	<u>(91,046,916)</u>
Total capital assets, being depreciated, net	<u>323,828,048</u>	<u>4,244,294</u>	<u>7,484</u>	<u>328,064,858</u>
Governmental activities capital assets, net	<u>\$ 401,305,755</u>	<u>\$ 66,481,050</u>	<u>\$ 21,488,521</u>	<u>\$ 446,298,284</u>

Depreciation and amortization expense were charged to governmental functions as follows:

Instruction	\$ 7,124,786
Support services – students and staff	31,739
Support services – administration	362,498
Operation and maintenance of plant services	3,186,281
Student transportation services	577,944
Operation of non-instructional services	495,879
Total depreciation expense – governmental activities	<u>\$ 11,779,127</u>

Construction Commitments – At year end, the District had contractual commitments related to the construction of one new school site, and the renovations of several school sites. At year end, the District had spent \$39.5 million on the projects and had estimated remaining contractual commitments of \$30.4 million. These projects are being funded from funds available in the Other Capital Projects Fund.

Queen Creek Unified School District No. 95
Notes to Financial Statements
June 30, 2024

Note 8 – Claims and Judgments Payable

During fiscal year 2023-24, the District received notice that the Qasimyar v. Maricopa County, Class Action Judgment had been finalized by the Tax Court. The District, along with all taxing districts in Maricopa County, was affected by the judgment. The Tax Court ruling spanned multiple tax years and, in most cases, resulted in a decrease to the Limited Property Value along with a corresponding refund to individual taxpayers.

As a result of the judgment, the County Treasurer's Office published the estimated financial impact for all taxing districts. This amount is reported as a claims and judgments payable in the District's General Fund. It is expected that the liability will be paid in the next fiscal year.

Although the District is responsible for repayment of the entire liability, due to the property tax formula the Arizona Department of Education will be recalculating basic state aid owed to the District, which is expected to be received in the next fiscal year. Any amounts expected to be received from the state are included in the due from governmental entities receivable.

Note 9 – Revolving Line of Credit

The District has a revolving line of credit to provide cash flow during the year to mitigate the impact of timing differences of expenditures and the receipt of state aid and property tax revenues. There was no activity on the line of credit during the year. At year end, the District had \$4.0 million in unused line of credit.

Note 10 – Financed Purchases Payable

The District has made energy efficient updates to school sites and constructed a new high school as well as expanded two elementary schools under the provisions of agreements classified as financed purchases payables. Revenues from the General Fund are used to pay the debt obligations.

Annual debt service requirements to maturity on financed purchases payable at year end are summarized as follows:

Year ending June 30:	Governmental Activities	
	Principal	Interest
2025	\$ 2,253,000	\$ 2,510,757
2026	2,324,000	2,439,623
2027	4,948,000	2,357,851
2028	5,102,000	2,204,452
2029	5,260,000	2,046,150
2030-34	28,858,000	7,673,020
2035-39	21,263,000	3,414,504
2040-41	8,309,000	376,578
Total	<u>\$ 78,317,000</u>	<u>\$ 23,022,935</u>

Queen Creek Unified School District No. 95
Notes to Financial Statements
June 30, 2024

Note 11 – General Obligation Bonds Payable

Bonds payable at year end, consisted of the following outstanding general obligation bonds. The bonds are both callable and noncallable with interest payable semiannually. Property taxes from the Debt Service Fund are used to pay bonded debt. The District's legal debt limit is \$516.7 million and the available margin is \$392.4 million.

Purpose	Original Amount Issued	Interest Rates	Remaining Maturities	Outstanding Principal June 30, 2024	Due Within One Year
Governmental activities:					
School Improvement Bonds, Projects of 2010 & 2014, Series 2015	\$ 31,920,000	2.75-4.50%	7/1/24-34	\$ 23,245,000	\$ 2,100,000
Refunding Bonds, Series 2015	6,910,000	3.0-5.0%	7/1/24-27	4,290,000	840,000
School Improvement Bonds, Project of 2010 and 2014, Series 2016	4,350,000	2.25-3.00%	7/1/26-29	3,350,000	
School Improvement Bonds, Series 2018	45,215,000	4.0-5.0%	7/1/24-37	39,145,000	2,025,000
School Improvement Bonds, Series 2019	20,640,000	4.0-5.0%	7/1/24-38	13,865,000	655,000
School Improvement Bonds, Series 2020	23,280,000	4.0-5.0%	7/1/24-39	19,130,000	800,000
Refunding Bonds, Series 2020	6,060,000	1.25-5.0%	7/1/24-29	3,500,000	525,000
School Improvement Bonds, Second Series 2020	11,450,000	4.00%	7/1/24-40	7,315,000	310,000
Total				<u>\$ 113,840,000</u>	<u>\$ 7,255,000</u>

Annual debt service requirements to maturity on general obligation bonds at year end are summarized as follows:

Year ending June 30:	Governmental Activities	
	Principal	Interest
2025	\$ 7,255,000	\$ 4,802,625
2026	7,165,000	4,496,950
2027	7,045,000	4,183,750
2028	7,390,000	3,877,713
2029	8,105,000	3,556,750
2030-34	42,650,000	12,167,337
2035-39	31,465,000	3,636,600
2040-41	2,765,000	78,500
Total	<u>\$ 113,840,000</u>	<u>\$ 36,800,225</u>

Queen Creek Unified School District No. 95
Notes to Financial Statements
June 30, 2024

Note 12 – Changes in Long-Term Liabilities

Long-term liability activity for the current fiscal year was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable:					
General obligation bonds	\$ 121,045,000	\$	\$ 7,205,000	\$ 113,840,000	\$ 7,255,000
Premium	12,702,539		955,101	11,747,438	
Total bonds payable	133,747,539		8,160,101	125,587,438	7,255,000
Financed purchases payable	78,317,000			78,317,000	2,253,000
Net pension liability	87,305,927	7,347,435		94,653,362	
Compensated absences payable	2,085,764	1,034,479	1,437,020	1,683,223	305,939
Total long-term liabilities	<u>\$ 301,456,230</u>	<u>\$ 8,381,914</u>	<u>\$ 9,597,121</u>	<u>\$ 300,241,023</u>	<u>\$ 9,813,939</u>

Note 13 – Interfund Transfers

At year end, interfund balances were as follows:

Transfers between funds of \$747,910 were used to move federal grant funds restricted for indirect costs.

Note 14 – Contingent Liabilities

Compliance – Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures/expenses that may be disallowed by the grantor cannot be determined at this time, although the District expects such amounts, if any, to be immaterial.

Note 15 – Restatement of Beginning Balances

Change within the Financial Reporting Entity – In the current fiscal year, there has been a change in major funds. The Federal and State Grants Fund no longer has assets or revenues that exceed 10 percent of total assets or revenues. The change is reflected on the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances as a restatement to beginning of year fund balances.

Queen Creek Unified School District No. 95
Notes to Financial Statements
June 30, 2024

Note 15 – Restatement of Beginning Balances

The effect of the matter noted above resulted in adjustments to and restatement of beginning fund balances, as follows:

	June 30, 2023, As Previously Reported	Change within the Financial Reporting Entity	June 30, 2023, As Restated
Governmental Funds			
Major Funds:			
General Fund	\$ 22,468,225	\$	\$ 22,468,225
Federal and State Grants	(1,132,834)	1,132,834	
Other Special Revenue	13,196,223		13,196,223
Debt Service	1,494,317		1,494,317
Other Capital Projects	19,361,944		19,361,944
Non-Major Governmental Funds	13,393,263	(1,132,834)	12,260,429
Total Governmental Funds	<u>\$ 68,781,138</u>	<u>\$</u>	<u>\$ 68,781,138</u>

Note 16 – Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The District was unable to obtain general property and liability insurance at a cost it considered to be economically justifiable. Therefore, the District joined the Arizona School Risk Retention Trust, Inc. (ASRRT), together with other school districts and community colleges in the State. The District pays an annual premium to ASRRT for its general insurance coverage. The agreement provides that ASRRT will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of specified amounts.

The District's employees have health and accident insurance coverage with Kairos. Kairos is a public entity health benefits pool currently operating as a risk management and insurance program for government entities in the state. The District pays a monthly premium to Kairos for employees' health and accident insurance coverage. The agreement provides that Kairos will be self-sustaining through members' premiums and will reinsure through commercial companies for claims in excess of specified amounts for each insured event.

The District joined the Arizona School Alliance for Workers' Compensation, Inc. (Alliance) together with other school districts in the state for risks of loss related to workers' compensation claims. The Alliance is a public entity risk pool currently operating as a common risk management and insurance program for school districts in the State. The District pays quarterly premiums to the Alliance for its employee workers' compensation coverage. The agreement provides that the Alliance will be self-sustaining through members' premiums and will reinsure through commercial companies for claims in excess of specified amounts for each insured event.

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June 30, 2024

Note 17 – Pensions

Plan Description. District employees participate in the Arizona State Retirement System (ASRS). The ASRS administers a cost-sharing multiple-employer defined benefit pension plan, a cost-sharing multiple-employer defined benefit health insurance premium benefit (OPEB) plan, and a cost-sharing multiple-employer defined benefit long-term disability (OPEB) plan. The Arizona State Retirement System Board governs the ASRS according to the provisions of A.R.S. Title 38, Chapter 5, Articles 2 and 2.1. ASRS is a component unit of the State of Arizona. The ASRS issues a publicly available financial report that includes its financial statements and required supplementary information. The report is available on the ASRS website at www.azasrs.gov.

The ASRS OPEB plans are not further disclosed because of their relative insignificance to the District's financial statements.

Benefits Provided. The ASRS provides retirement, health insurance premium supplement, long-term disability, and survivor benefits. State statute establishes benefit terms. Retirement benefits are calculated on the basis of age, average monthly compensation, and service credit as follows:

	Retirement Initial Membership Date:	
	Before July 1, 2011	On or After July 1, 2011
Years of service and age required to receive benefit	Sum of years and age equals 80 10 years, age 62 5 years, age 50* Any years, age 65	30 years, age 55 25 years, age 60 10 years, age 62 5 years, age 50* Any years, age 65
Final average salary is based on	Highest 36 months of last 120 months	Highest 60 months of last 120 months
Benefit percent per year of service	2.1% to 2.3%	2.1% to 2.3%

*With actuarially reduced benefits

Retirement benefits for members who joined the ASRS prior to September 13, 2013, are subject to automatic cost-of-living adjustments based on excess investment earnings. Members with a membership date on or after September 13, 2013, are not eligible for cost-of-living adjustments. Survivor benefits are payable upon a member's death. For retired members, the survivor benefit is determined by the retirement benefit option chosen. For all other members, the beneficiary is entitled to the member's account balance that includes the member's contributions and employer's contributions, plus interest earned.

Queen Creek Unified School District No. 95
Notes to Financial Statements
June 30, 2024

Note 17 – Pensions

Contributions. In accordance with state statutes, annual actuarial valuations determine active member and employer contribution requirements. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. For the current fiscal year, active ASRS members were required by statute to contribute at the actuarially determined rate of 12.29 percent (12.14 percent for retirement and 0.15 percent for long-term disability) of the members' annual covered payroll, and the District was required by statute to contribute at the actuarially determined rate of 12.29 percent (12.03 percent for retirement, 0.11 percent for health insurance premium benefit, and 0.15 percent for long-term disability) of the active members' annual covered payroll. The District's contributions to the pension plan for the year ended June 30, 2024 were \$9,887,674.

Employers are also required to pay an Alternate Contribution Rate (ACR), for retired members who return to work in positions that would typically be filled by an employee who contributes to ASRS. The District was required by statute to contribute at the actuarially determined rate of 9.99 percent (9.94 for retirement and 0.05 percent for long-term disability). ACR contributions are included in employer contributions presented above.

The District's pension plan contributions are paid by the same funds as the employee's salary, with the largest component coming from the General Fund.

Pension Liability. The net pension liability was measured as of June 30, 2023. The total liability used to calculate the net liability was determined using update procedures to roll forward the total liability from an actuarial valuation as of June 30, 2022, to the measurement date of June 30, 2023. The District's proportion of the net liability was based on the District's actual contributions to the applicable plan relative to the total of all participating employers' contributions to the plan for the year ended June 30, 2022.

At June 30, 2023, the District reported the following amounts for its proportionate share of the pension plan net liability. In addition, at June 30, 2023, the District's percentage proportion for the plan and the related change from its proportion measured as of June 30, 2022 was:

Net Liability	District % Proportion	Increase (Decrease)
\$ 94,653,362	0.585	0.050

Pension Expense and Deferred Outflows/Inflows of Resources. The District has deferred outflows and inflows of resources related to the net pension liability. Certain changes in the net pension liability are recognized as pension expense over a period of time rather than the year of occurrence. The District's pension expense for the year ended June 30, 2024 was \$21,057,036.

Queen Creek Unified School District No. 95
Notes to Financial Statements
June 30, 2024

Note 17 – Pensions

The District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,138,788	\$
Net difference between projected and actual earnings on pension investments		3,348,918
Changes in proportion and differences between contributions and proportionate share of contributions	8,520,953	
Contributions subsequent to the measurement date	9,887,674	
Total	<u>\$ 20,547,415</u>	<u>\$ 3,348,918</u>

The amounts of deferred outflows of resources resulting from contributions subsequent to the measurement date as reported in the table above will be recognized as an adjustment of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

2025	\$ 5,779,400
2026	(1,661,565)
2027	3,609,144
2028	(416,156)

Queen Creek Unified School District No. 95
Notes to Financial Statements
June 30, 2024

Note 17 – Pensions

Actuarial Assumptions. The significant actuarial assumptions used to measure the total pension liability are as follows:

Actuarial valuation date	June 30, 2022
Actuarial roll forward date	June 30, 2023
Actuarial cost method	Entry age normal
Investment rate of return	7.0%
Inflation	2.3%
Projected salary increases	2.9-8.4%
Permanent base increases	Included
Mortality rates	2017 SRA Scale U-MP

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the five-year period ended June 30, 2020. The purpose of the experience study was to review actual experience in relation to the actuarial assumptions in effect. The ASRS Board adopted the experience study recommended changes which were applied to the June 30, 2020, actuarial valuation.

The long-term expected rate of return on ASRS plan investments was determined to be 7.0 percent using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, excluding any expected inflation.

The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Geometric Real Rate of Return
Public equity	44%	3.50%
Credit	23%	5.90
Interest rate sensitive	6%	1.50
Private equity	10%	6.70
Real estate	17%	5.90
Total	100%	

Queen Creek Unified School District No. 95
Notes to Financial Statements
June 30, 2024

Note 17 – Pensions

Discount Rate. The discount rate used to measure the total pension liability was 7.0 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the ASRS Board's funding policy, which establishes the contractually required rate under Arizona statute. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.0 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	Current		
	1% Decrease	Discount Rate	1% Increase
Rate	6.0%	7.0%	8.0%
Net liability	\$ 141,776,835	\$ 94,653,362	\$ 55,360,722

Pension Plan Fiduciary Net Position. Detailed information about the pension plan's fiduciary net position is available in the separately issued ASRS financial report. The report is available on the ASRS website at www.azasrs.gov.

Required Supplementary Information

Queen Creek Unified School District No. 95
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
General
For the Year Ended June 30, 2024

	<u>Budget</u>		<u>Non-GAAP</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>
Revenues				
Other local	\$	\$	\$ 385,687	\$ 385,687
Property taxes			35,097,569	35,097,569
State aid and grants			77,182,113	77,182,113
Total revenues			<u>112,665,369</u>	<u>112,665,369</u>
Expenditures				
Current:				
Instruction	73,934,327	66,427,045	60,574,498	5,852,547
Support services - students and staff	10,198,266	13,690,625	14,247,510	(556,885)
Support services - administration	8,413,253	11,892,913	12,255,931	(363,018)
Operation and maintenance of plant services	12,524,716	17,398,477	17,326,325	72,152
Student transportation services	7,223,355	7,258,085	6,661,219	596,866
Operation of non-instructional services	491,379	514,648	2,219,399	(1,704,751)
Total expenditures	<u>112,785,296</u>	<u>117,181,793</u>	<u>113,284,882</u>	<u>3,896,911</u>
Changes in fund balances	<u>(112,785,296)</u>	<u>(117,181,793)</u>	<u>(619,513)</u>	<u>116,562,280</u>
Fund balances, beginning of year			<u>5,288,127</u>	<u>5,288,127</u>
Fund balances, end of year	<u>\$ (112,785,296)</u>	<u>\$ (117,181,793)</u>	<u>\$ 4,668,614</u>	<u>\$ 121,850,407</u>

Queen Creek Unified School District No. 95
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Other Special Revenue
For the Year Ended June 30, 2024

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Other local	\$	\$	\$ 8,547,089	\$ 8,547,089
State aid and grants				
Total revenues			<u>8,547,089</u>	<u>8,547,089</u>
Expenditures				
Current:				
Instruction	2,057,288	2,346,176	1,578,430	767,746
Support services - students and staff	569,910	649,938	437,257	212,681
Support services - administration	244,820	279,198	187,835	91,363
Operation and maintenance of plant services	187,983	214,380	144,228	70,152
Student transportation services	726,141	828,107	557,123	270,984
Operation of non-instructional services	3,985,756	4,545,444	3,058,025	1,487,419
Capital outlay	<u>531,652</u>	<u>606,308</u>	<u>407,904</u>	<u>198,404</u>
Total expenditures	<u>8,303,550</u>	<u>9,469,550</u>	<u>6,370,802</u>	<u>3,098,748</u>
Changes in fund balances	<u>(8,303,550)</u>	<u>(9,469,550)</u>	<u>2,176,287</u>	<u>11,645,837</u>
Fund balances, beginning of year			<u>13,196,223</u>	<u>13,196,223</u>
Fund balances, end of year	<u>\$ (8,303,550)</u>	<u>\$ (9,469,550)</u>	<u>\$ 15,372,510</u>	<u>\$ 24,842,060</u>

Queen Creek Unified School District No. 95
Schedule of the Proportionate Share of the Net Pension Liability
Arizona State Retirement System
Last Ten Fiscal Years

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Measurement date	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020
District's proportion of the net pension (assets) liability	0.59%	0.54%	0.46%	0.43%
District's proportionate share of the net pension (assets) liability	\$ 94,653,362	\$ 87,305,927	\$ 60,816,435	\$ 73,648,106
District's covered payroll	\$ 76,926,644	\$ 63,647,052	\$ 51,954,678	\$ 46,486,550
District's proportionate share of the net pension (assets) liability as a percentage of its covered payroll	123.04%	137.17%	117.06%	158.43%
Plan fiduciary net position as a percentage of the total pension liability	75.47%	74.26%	78.58%	69.33%

Schedule of Pension Contributions
Arizona State Retirement System
Last Ten Fiscal Years

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Actuarially determined contribution	\$ 9,887,674	\$ 9,169,656	\$ 7,644,011	\$ 6,052,720
Contributions in relation to the actuarially determined contribution	<u>9,887,674</u>	<u>9,169,656</u>	<u>7,644,011</u>	<u>6,052,720</u>
Contribution deficiency (excess)	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
District's covered payroll	\$ 82,191,804	\$ 76,926,644	\$ 63,647,052	\$ 51,954,678
Contributions as a percentage of covered payroll	12.03%	11.92%	12.01%	11.65%

<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
0.36%	0.32%	0.29%	0.24%	0.22%	0.23%
\$ 51,790,501	\$ 45,190,782	\$ 44,969,159	\$ 39,471,213	\$ 34,990,643	\$ 33,722,771
\$ 37,526,082	\$ 31,968,101	\$ 27,511,772	\$ 22,275,410	\$ 20,090,009	\$ 20,007,486
138.01%	141.36%	163.45%	177.20%	174.17%	168.55%
73.24%	73.40%	69.92%	67.06%	68.35%	69.49%

<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 5,322,710	\$ 4,195,416	\$ 3,484,523	\$ 2,965,769	\$ 2,416,882	\$ 2,187,802
5,322,710	4,195,416	3,484,523	2,965,769	2,416,882	2,187,802
\$	\$	\$	\$	\$	\$
\$ 46,486,550	\$ 37,526,082	\$ 31,968,101	\$ 27,511,772	\$ 22,275,410	\$ 20,090,009
11.45%	11.18%	10.90%	10.78%	10.85%	10.89%

Queen Creek Unified School District No. 95
Notes to Required Supplementary Information
June 30, 2024

Note 1 – Budgetary Basis Of Accounting

The District budget is prepared on a basis consistent with accounting principles generally accepted in the United States of America, except for the following items.

- Certain activities reported in the General Fund are budgeted in separate funds in accordance with Arizona Revised Statutes.
- Insurance expenditures for employee health insurance are budgeted in the year paid.
- Expenditures for claims and judgments are not budgeted.

The following schedule reconciles expenditures and fund balances at the end of year.

	Total Expenditures	Fund Balances End of Year
Statement of Revenues, Expenditures and Changes in		
Fund Balances - Governmental Funds	\$ 130,148,879	\$ 23,493,279
Activity budgeted as other fund types	(16,191,119)	(15,847,254)
Claims and judgments	(1,760,043)	1,760,043
Employee insurance account	<u>1,087,165</u>	<u>(4,737,454)</u>
Schedule of Revenue, Expenditures and Changes in		
Fund Balances – Budget and Actual - General Fund	<u>\$ 113,284,882</u>	<u>\$ 4,668,614</u>

Note 2 – Pension Plan Schedules

Actuarial Assumptions for Valuations Performed. The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated, which is the most recent actuarial valuation. The actuarial assumptions used are disclosed in the notes to the financial statements.

Factors that Affect Trends. The actuarial assumptions used in the June 30, 2022, valuation were based on the results of an actuarial experience study for the five-year period ended June 30, 2020. The purpose of the experience study was to review actual experience in relation to the actuarial assumptions in effect. The ASRS Board adopted the experience study recommended changes which were applied to the June 30, 2020, actuarial valuation.

**Combining and Individual
Fund Financial Statements and Schedules**

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Governmental Funds

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Non-Major Governmental Funds

Special Revenue Funds

Classroom Site – to account for the financial activity for the portion of state sales tax collections and permanent state school fund earnings.

Instructional Improvement – to account for the activity of monies received from gaming revenue.

Federal and State Grants – to account for financial assistance received for federal and state grants and projects.

Food Service – to account for the financial activity of school activities that have as their purpose the preparation and serving of regular and incidental meals and snacks in connection with school functions.

Capital Projects Funds

Adjacent Ways – to account for monies received to finance improvements of public ways adjacent to school property.

Queen Creek Unified School District No. 95
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2024

	Special Revenue Funds			
	Classroom Site	Instructional Improvement	Federal and State Grants	Food Service
Assets				
Cash and investments	\$ 10,000,010	\$ 1,640,428	\$ 1,986,998	\$ 4,127,183
Due from governmental entities		440,550	910,530	210,177
Inventory				69,796
Total assets	<u>\$ 10,000,010</u>	<u>\$ 2,080,978</u>	<u>\$ 2,897,528</u>	<u>\$ 4,407,156</u>
Liabilities				
Accounts payable			58,904	
Accrued payroll and employee benefits			62,071	32,991
Total liabilities			<u>120,975</u>	<u>32,991</u>
Deferred inflows of resources				
Unavailable revenues - intergovernmental			784,539	
Total deferred inflows of resources			<u>784,539</u>	
Fund balances				
Nonspendable				69,796
Restricted	<u>10,000,010</u>	<u>2,080,978</u>	<u>1,992,014</u>	<u>4,304,369</u>
Total fund balances	<u>10,000,010</u>	<u>2,080,978</u>	<u>1,992,014</u>	<u>4,374,165</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 10,000,010</u>	<u>\$ 2,080,978</u>	<u>\$ 2,897,528</u>	<u>\$ 4,407,156</u>

Capital Projects**Funds**

Adjacent Ways		Total Non-Major Governmental Funds	
\$	11,025,716	\$	28,780,335
			1,561,257
			69,796
\$	11,025,716	\$	30,411,388

508,220	567,124
	95,062
508,220	662,186

	784,539
	784,539

	69,796
10,517,496	28,894,867
10,517,496	28,964,663

\$ 11,025,716	\$ 30,411,388
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Queen Creek Unified School District No. 95
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended June 30, 2024

	Special Revenue Funds			
	Classroom Site	Instructional Improvement	Federal and State Grants	Food Service
Revenues				
Other local	\$ 212,749	\$ 37,904	\$ 27,131	\$ 3,872,100
Property taxes				
State aid and grants	11,852,782	951,466	1,165,737	
Federal aid, grants and reimbursements			9,018,147	3,127,993
Total revenues	<u>12,065,531</u>	<u>989,370</u>	<u>10,211,015</u>	<u>7,000,093</u>
Expenditures				
Current:				
Instruction	7,790,531	309,669	2,774,888	
Support services - students and staff		3,054	1,330,712	
Support services - administration		52,936	231,084	21,697
Operation and maintenance of plant services			304,185	500,990
Student transportation services			573,654	
Operation of non-instructional services	171,395			5,337,631
Capital outlay			1,541,543	89,541
Total expenditures	<u>7,961,926</u>	<u>365,659</u>	<u>6,756,066</u>	<u>5,949,859</u>
Excess (deficiency) of revenues over expenditures	<u>4,103,605</u>	<u>623,711</u>	<u>3,454,949</u>	<u>1,050,234</u>
Other financing sources (uses)				
Transfers out			(330,101)	(417,809)
Total other financing sources (uses)			<u>(330,101)</u>	<u>(417,809)</u>
Changes in fund balances	<u>4,103,605</u>	<u>623,711</u>	<u>3,124,848</u>	<u>632,425</u>
Fund balances, beginning of year, previously reported	5,896,405	1,457,267		3,741,740
Adjustments to beginning fund balances			(1,132,834)	
Fund balances, beginning of year, as restated	<u>5,896,405</u>	<u>1,457,267</u>	<u>(1,132,834)</u>	<u>3,741,740</u>
Fund balances, end of year	<u>\$ 10,000,010</u>	<u>\$ 2,080,978</u>	<u>\$ 1,992,014</u>	<u>\$ 4,374,165</u>

Capital Projects	
Funds	
Total Non-Major Governmental	
Adjacent Ways	Funds
\$ 50,014	\$ 4,199,898
9,605,000	9,605,000
	13,969,985
	12,146,140
<u>9,655,014</u>	<u>39,921,023</u>
	10,875,088
	1,333,766
	305,717
	805,175
	573,654
	5,509,026
<u>1,435,369</u>	<u>3,066,453</u>
<u>1,435,369</u>	<u>22,468,879</u>
<u>8,219,645</u>	<u>17,452,144</u>
	(747,910)
	(747,910)
<u>8,219,645</u>	<u>16,704,234</u>
2,297,851	13,393,263
	(1,132,834)
<u>2,297,851</u>	<u>12,260,429</u>
<u>\$ 10,517,496</u>	<u>\$ 28,964,663</u>

Queen Creek Unified School District No. 95
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Classroom Site
For the Year Ended June 30, 2024

	<u>Budget</u>			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>
Revenues				
Other local	\$	\$	\$ 212,749	\$ 212,749
State aid and grants			11,852,782	11,852,782
Total revenues			12,065,531	12,065,531
Expenditures				
Current:				
Instruction	17,692,810	17,749,179	7,790,531	9,958,648
Operation of non-instructional services			171,395	(171,395)
Total expenditures	17,692,810	17,749,179	7,961,926	9,787,253
Changes in fund balances	(17,692,810)	(17,749,179)	4,103,605	21,852,784
Fund balances, beginning of year			5,896,405	5,896,405
Fund balances, end of year	<u>\$ (17,692,810)</u>	<u>\$ (17,749,179)</u>	<u>\$ 10,000,010</u>	<u>\$ 27,749,189</u>

Queen Creek Unified School District No. 95
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Instructional Improvement
For the Year Ended June 30, 2024

	<u>Budget</u>		<u>Variance with</u>
	<u>Original and Final</u>	<u>Actual</u>	<u>Final Budget</u>
Revenues			
Other local	\$	\$ 37,904	\$ 37,904
State aid and grants		951,466	951,466
Total revenues		989,370	989,370
Expenditures			
Current:			
Instruction	353,149	309,669	43,480
Support services - students and staff	3,483	3,054	429
Support services - administration	60,369	52,936	7,433
Total expenditures	417,000	365,659	51,341
Changes in fund balances	(417,000)	623,711	1,040,711
Fund balances, beginning of year		1,457,267	1,457,267
Fund balances, end of year	\$ (417,000)	\$ 2,080,978	\$ 2,497,978

Queen Creek Unified School District No. 95
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Federal and State Grants
For the Year Ended June 30, 2024

	<u>Budget</u>			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>
Revenues				
Other local	\$	\$	\$ 27,131	\$ 27,131
State aid and grants			1,165,737	1,165,737
Federal aid, grants and reimbursements			9,018,147	9,018,147
Total revenues			<u>10,211,015</u>	<u>10,211,015</u>
Expenditures				
Current:				
Instruction	3,223,373	4,984,974	2,774,888	2,210,086
Support services - students and staff	1,545,785	2,390,570	1,330,712	1,059,858
Support services - administration	268,432	415,133	231,084	184,049
Operation and maintenance of plant services	353,348	546,456	304,185	242,271
Student transportation services	666,370	1,030,546	573,654	456,892
Capital outlay	<u>1,790,691</u>	<u>2,769,320</u>	<u>1,541,543</u>	<u>1,227,777</u>
Total expenditures	<u>7,848,000</u>	<u>12,137,000</u>	<u>6,756,066</u>	<u>5,380,934</u>
Excess (deficiency) of revenues over expenditures	<u>(7,848,000)</u>	<u>(12,137,000)</u>	<u>3,454,949</u>	<u>15,591,949</u>
Other financing sources (uses)				
Transfers out			(330,101)	(330,101)
Total other financing sources (uses)			<u>(330,101)</u>	<u>(330,101)</u>
Changes in fund balances	<u>(7,848,000)</u>	<u>(12,137,000)</u>	<u>3,124,848</u>	<u>15,261,848</u>
Fund balances, beginning of year			<u>(1,132,834)</u>	<u>(1,132,834)</u>
Fund balances, end of year	<u>\$ (7,848,000)</u>	<u>\$ (12,137,000)</u>	<u>\$ 1,992,014</u>	<u>\$ 14,129,014</u>

Queen Creek Unified School District No. 95
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Food Service
For the Year Ended June 30, 2024

	<u>Budget</u>		<u>Variance with</u>
	<u>Original and Final</u>	<u>Actual</u>	<u>Final Budget</u>
Revenues			
Other local	\$	\$ 3,872,100	\$ 3,872,100
Federal aid, grants and reimbursements		3,127,993	3,127,993
Total revenues		<u>7,000,093</u>	<u>7,000,093</u>
Expenditures			
Current:			
Support services - administration	26,256	21,697	4,559
Operation and maintenance of plant services	606,254	500,990	105,264
Operation of non-instructional services	6,459,135	5,337,631	1,121,504
Capital outlay	108,355	89,541	18,814
Total expenditures	<u>7,200,000</u>	<u>5,949,859</u>	<u>1,250,141</u>
Excess (deficiency) of revenues over expenditures	<u>(7,200,000)</u>	<u>1,050,234</u>	<u>8,250,234</u>
Other financing sources (uses)			
Transfers out		(417,809)	(417,809)
Total other financing sources (uses)		<u>(417,809)</u>	<u>(417,809)</u>
Changes in fund balances	<u>(7,200,000)</u>	<u>632,425</u>	<u>7,832,425</u>
Fund balances, beginning of year		<u>3,741,740</u>	<u>3,741,740</u>
Fund balances, end of year	<u>\$ (7,200,000)</u>	<u>\$ 4,374,165</u>	<u>\$ 11,574,165</u>

Queen Creek Unified School District No. 95
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Debt Service
For the Year Ended June 30, 2024

	<u>Budget</u>		<u>Variance with</u>
	<u>Original and Final</u>	<u>Actual</u>	<u>Final Budget</u>
Revenues			
Other local	\$	\$ 164,852	\$ 164,852
Property taxes		12,171,554	12,171,554
Total revenues		12,336,406	12,336,406
Expenditures			
Debt service:			
Principal retirement	7,255,000	7,255,000	
Interest and fiscal charges	3,882,564	4,952,700	(1,070,136)
Total expenditures	11,137,564	12,207,700	(1,070,136)
Changes in fund balances	(11,137,564)	128,706	11,266,270
Fund balances, beginning of year		1,494,317	1,494,317
Fund balances, end of year	\$ (11,137,564)	\$ 1,623,023	\$ 12,760,587

Queen Creek Unified School District No. 95
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Adjacent Ways
For the Year Ended June 30, 2024

	<u>Budget</u>		
	<u>Original and Final</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues			
Other local	\$	\$ 50,014	\$ 50,014
Property taxes		9,605,000	9,605,000
Total revenues		9,655,014	9,655,014
Expenditures			
Capital outlay	9,605,000	1,435,369	8,169,631
Total expenditures	9,605,000	1,435,369	8,169,631
Changes in fund balances	(9,605,000)	8,219,645	17,824,645
Fund balances, beginning of year		2,297,851	2,297,851
Fund balances, end of year	\$ (9,605,000)	\$ 10,517,496	\$ 20,122,496

Queen Creek Unified School District No. 95
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Other Capital Projects
For the Year Ended June 30, 2024

	<u>Budget</u>			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>
Revenues				
Other local	\$	\$	\$ 658,197	\$ 658,197
State aid and grants			40,907,871	40,907,871
Total revenues			41,566,068	41,566,068
Expenditures				
Capital outlay	55,703,132	71,803,132	47,971,813	23,831,319
Total expenditures	55,703,132	71,803,132	47,971,813	23,831,319
Changes in fund balances	(55,703,132)	(71,803,132)	(6,405,745)	65,397,387
Fund balances, beginning of year			19,361,944	19,361,944
Fund balances, end of year	<u>\$ (55,703,132)</u>	<u>\$ (71,803,132)</u>	<u>\$ 12,956,199</u>	<u>\$ 84,759,331</u>

Statistical Section

The statistical section presents financial statement trends as well as detailed financial and operational information not available elsewhere in the report. The statistical section is intended to enhance the reader's understanding of the information presented in the financial statements, notes to the financial statements, and other supplementary information presented in this report. The statistical section is comprised of the five categories of statistical information presented below.

Financial Trends

These schedules contain information on financial trends to help the reader understand how the District's financial position and financial activities have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the factors affecting the District's ability to generate revenue.

Debt Capacity

These schedules present information to help the reader evaluate the District's current levels of outstanding debt as well as assess the District's ability to make debt payments and/or issue additional debt in the future.

Demographic and Economic Information

These schedules present various demographic and economic indicators to help the reader understand the environment in which the District's financial activities take place and to help make comparisons with other school districts.

Operating Information

These schedules contain information about the District's operations and various resources to help the reader draw conclusions as to how the District's financial information relates to the services provided by the District.

Note: For locally assessed property (i.e., excluding mines, utilities, etc.) Proposition 117, approved by voters in 2012, amended the Arizona Constitution to require that all property taxes after fiscal year 2014-15 be based upon property values limited to five percent in annual growth. The aggregate assessed value of all taxable properties within a taxing jurisdiction (i.e., after applying assessment ratios based on the use of a property), including property values with a growth limit, is currently referred to as net limited assessed value and formerly as primary assessed value. In accordance with Proposition 117, this value is used for all taxing purposes beginning fiscal year 2015-16. Aggregate assessed value without a growth limit is currently referred to as net full cash assessed value and formerly as secondary assessed value. This remains the value utilized for determining debt capacity limits.

Queen Creek Unified School District No. 95
Net Position by Component
Last Ten Fiscal Years
(Accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Net Position:					
Net investment in capital assets	\$ 254,062,286	\$ 206,616,934	\$ 191,857,158	\$ 81,332,204	\$ 131,808,244
Restricted	59,763,949	33,027,474	25,355,581	68,074,511	13,810,066
Unrestricted	<u>(57,715,317)</u>	<u>(38,480,763)</u>	<u>(29,198,878)</u>	<u>(31,370,206)</u>	<u>(27,290,009)</u>
Total net position	<u><u>\$ 256,110,918</u></u>	<u><u>\$ 201,163,645</u></u>	<u><u>\$ 188,013,861</u></u>	<u><u>\$ 118,036,509</u></u>	<u><u>\$ 118,328,301</u></u>
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Net Position:					
Net investment in capital assets	\$ 122,959,855	\$ 88,451,254	\$ 68,032,347	\$ 67,464,476	\$ 67,906,920
Restricted	10,020,049	12,593,027	6,762,737	7,789,182	8,216,085
Unrestricted	<u>(24,210,500)</u>	<u>(21,854,421)</u>	<u>(24,014,887)</u>	<u>(26,810,714)</u>	<u>(28,122,455)</u>
Total net position	<u><u>\$ 108,769,404</u></u>	<u><u>\$ 79,189,860</u></u>	<u><u>\$ 50,780,197</u></u>	<u><u>\$ 48,442,944</u></u>	<u><u>\$ 48,000,550</u></u>

Source: The source of this information is the District's financial records.

Queen Creek Unified School District No. 95
Expenses, Program Revenues, and Net (Expense)/Revenue
Last Ten Fiscal Years
(Accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Expenses					
Instruction	\$ 91,620,975	\$ 83,864,755	\$ 70,511,992	\$ 64,010,721	\$ 54,960,020
Support services - students and staff	18,238,129	15,691,907	13,281,333	12,098,273	10,926,905
Support services - administration	16,624,839	14,087,857	10,892,824	9,908,569	8,957,703
Operation and maintenance of plant services	23,285,758	19,714,189	16,072,618	12,659,919	11,191,029
Student transportation services	10,661,654	8,568,949	6,910,170	5,495,111	4,494,255
Operation of non-instructional services	12,303,310	12,402,825	10,784,295	6,291,219	5,685,826
Interest on long-term debt	4,068,396	6,850,778	7,156,684	5,836,111	4,905,185
Total expenses	<u>176,803,061</u>	<u>161,181,260</u>	<u>135,609,916</u>	<u>116,299,923</u>	<u>101,120,923</u>
Program Revenues					
Charges for services:					
Instruction	4,146,346	4,289,468	3,465,469	4,879,337	2,985,868
Operation of non-instructional services	8,907,656	11,031,640	5,474,294	789,779	4,241,531
Other activities	1,768,655	1,439,423	1,620,537	721,681	876,643
Operating grants and contributions	11,492,738	15,371,834	19,744,196	13,614,706	7,618,180
Capital grants and contributions	41,557,295	995,456	58,086,875	5,453,077	12,928,882
Total program revenues	<u>67,872,690</u>	<u>33,127,821</u>	<u>88,391,371</u>	<u>25,458,580</u>	<u>28,651,104</u>
Net (Expense)/Revenue	<u>\$ (108,930,371)</u>	<u>\$ (128,053,439)</u>	<u>\$ (47,218,545)</u>	<u>\$ (90,841,343)</u>	<u>\$ (72,469,819)</u>

(Continued)

Queen Creek Unified School District No. 95
Expenses, Program Revenues, and Net (Expense)/Revenue
Last Ten Fiscal Years
(Accrual basis of accounting)

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Expenses					
Instruction	\$ 40,516,638	\$ 33,710,073	\$ 29,917,103	\$ 22,987,109	\$ 21,666,500
Support services - students and staff	8,507,861	6,638,689	5,664,691	4,646,157	4,404,260
Support services - administration	8,400,826	6,109,880	5,437,447	5,244,747	4,380,787
Operation and maintenance of plant services	8,643,176	7,169,047	7,511,602	6,184,618	4,919,770
Student transportation services	4,703,459	3,949,889	3,432,255	2,783,146	2,636,950
Operation of non-instructional services	4,789,037	3,778,462	3,548,783	3,154,514	2,951,133
Interest on long-term debt	4,390,042	2,604,100	2,177,382	2,224,123	1,498,267
Total expenses	<u>79,951,039</u>	<u>63,960,140</u>	<u>57,689,263</u>	<u>47,224,414</u>	<u>42,457,667</u>
Program Revenues					
Charges for services:					
Instruction	1,926,558	1,470,085	1,691,980	2,035,229	2,733,807
Operation of non-instructional services	3,693,308	3,135,740	2,614,882	2,160,506	1,617,965
Other activities	1,140,673	881,744	1,447,783	684,177	512,476
Operating grants and contributions	4,946,126	5,079,024	4,149,858	4,063,862	3,654,413
Capital grants and contributions	31,206,094	24,441,346	318,513	137,386	140,600
Total program revenues	<u>42,912,759</u>	<u>35,007,939</u>	<u>10,223,016</u>	<u>9,081,160</u>	<u>8,659,261</u>
Net (Expense)/Revenue	<u>\$ (37,038,280)</u>	<u>\$ (28,952,201)</u>	<u>\$ (47,466,247)</u>	<u>\$ (38,143,254)</u>	<u>\$ (33,798,406)</u>

Source: The source of this information is the District's financial records.

(Concluded)

Queen Creek Unified School District No. 95
General Revenues and Total Changes in Net Position
Last Ten Fiscal Years
(Accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Net (Expense)/Revenue	\$ (108,930,371)	\$ (128,053,439)	\$ (47,218,545)	\$ (90,841,343)	\$ (72,469,819)
General Revenues:					
Property taxes	59,028,157	50,377,004	44,755,012	39,567,851	33,096,534
Investment income	1,990,540	1,127,145	609,529	641,576	907,224
Unrestricted county aid			5,035,297	4,104,582	3,276,530
Unrestricted state aid	101,794,363	89,145,324	66,186,776	45,865,050	43,792,449
Unrestricted federal aid	1,064,584	553,750	609,283	370,492	243,268
Total general revenues	<u>163,877,644</u>	<u>141,203,223</u>	<u>117,195,897</u>	<u>90,549,551</u>	<u>81,316,005</u>
Changes in Net Position	<u>\$ 54,947,273</u>	<u>\$ 13,149,784</u>	<u>\$ 69,977,352</u>	<u>\$ (291,792)</u>	<u>\$ 8,846,186</u>

(Continued)

Queen Creek Unified School District No. 95
General Revenues and Total Changes in Net Position
Last Ten Fiscal Years
(Accrual basis of accounting)

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Net (Expense)/Revenue	\$ (37,038,280)	\$ (28,952,201)	\$ (47,466,247)	\$ (38,143,254)	\$ (33,798,406)
General Revenues:					
Property taxes	30,199,771	26,453,692	23,304,407	15,213,580	15,948,065
Investment income	1,080,546	347,462	89,066	141,983	71,815
Unrestricted county aid	2,388,204	2,350,517	2,009,104	1,682,024	1,417,591
Unrestricted state aid	32,841,343	27,985,051	24,214,177	21,226,124	17,295,836
Unrestricted federal aid	107,960	217,585	186,746	321,937	219,315
Total general revenues	<u>66,617,824</u>	<u>57,354,307</u>	<u>49,803,500</u>	<u>38,585,648</u>	<u>34,952,622</u>
Changes in Net Position	<u>\$ 29,579,544</u>	<u>\$ 28,402,106</u>	<u>\$ 2,337,253</u>	<u>\$ 442,394</u>	<u>\$ 1,154,216</u>

Source: The source of this information is the District's financial records.

Note: Due to a change in legislation, beginning with fiscal year 2023, unrestricted county aid is now presented with property taxes.

(Concluded)

Queen Creek Unified School District No. 95
Fund Balances - Governmental Funds
Last Ten Fiscal Years
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
General Fund:					
Nondisposable	\$ 74,869	\$ 60,184	\$ 138,939	\$ 152,581	\$ 40,324
Unassigned	23,418,410	22,408,041	20,301,134	14,202,475	11,523,903
Total General Fund	<u>\$ 23,493,279</u>	<u>\$ 22,468,225</u>	<u>\$ 20,440,073</u>	<u>\$ 14,355,056</u>	<u>\$ 11,564,227</u>
All Other Governmental Funds:					
Nondisposable	\$ 69,796	\$ 71,313	\$ 64,003	\$ 499,626	\$ 235,438
Restricted	58,846,599	47,374,434	51,658,687	73,920,120	40,507,341
Unassigned		(1,132,834)	(5,985,441)	(521,850)	(790,008)
Total all other governmental funds	<u>\$ 58,916,395</u>	<u>\$ 46,312,913</u>	<u>\$ 45,737,249</u>	<u>\$ 73,897,896</u>	<u>\$ 39,952,771</u>

(Continued)

Queen Creek Unified School District No. 95
Fund Balances - Governmental Funds
Last Ten Fiscal Years
(Modified accrual basis of accounting)

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
General Fund:					
Nondisposable	\$ 59,015	\$ 52,583	\$	\$	\$
Unassigned	7,880,269	11,691,357	6,552,857	4,205,429	3,325,992
Total General Fund	<u>\$ 7,939,284</u>	<u>\$ 11,743,940</u>	<u>\$ 6,552,857</u>	<u>\$ 4,205,429</u>	<u>\$ 3,325,992</u>
All Other Governmental Funds:					
Nondisposable	\$ 236,451	\$ 237,797	\$	\$	\$
Restricted	27,118,996	55,393,077	7,725,540	13,669,536	28,811,078
Unassigned	(183,425)	(3,711,844)	(283,491)		
Total all other governmental funds	<u>\$ 27,172,022</u>	<u>\$ 51,919,030</u>	<u>\$ 7,442,049</u>	<u>\$ 13,669,536</u>	<u>\$ 28,811,078</u>

Source: The source of this information is the District's financial records.

(Concluded)

Queen Creek Unified School District No. 95
Governmental Funds Revenues
Last Ten Fiscal Years
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Federal sources:					
Federal grants	\$ 10,082,731	\$ 13,595,165	\$ 6,951,549	\$ 8,394,900	\$ 3,383,584
National School Lunch Program	3,127,993	2,919,882	8,131,503	4,895,007	2,701,199
Total federal sources	<u>13,210,724</u>	<u>16,515,047</u>	<u>15,083,052</u>	<u>13,289,907</u>	<u>6,084,783</u>
State sources:					
State equalization assistance	87,973,859	78,316,359	56,897,320	44,964,503	39,648,107
State grants	1,165,737	1,133,461	1,158,017	968,091	790,939
School Facilities Oversight Board	40,907,871	13,248	55,759,527	46,190	9,957,556
Other revenues	12,804,248	10,849,456	9,309,265	5,463,477	4,144,342
Total state sources	<u>142,851,715</u>	<u>90,312,524</u>	<u>123,124,129</u>	<u>51,442,261</u>	<u>54,540,944</u>
Local sources:					
Property taxes	58,996,849	50,314,348	45,100,740	39,461,319	33,801,246
County aid			5,035,297	4,104,582	3,276,530
Food service sales	3,872,100	3,467,626	394,446	626,960	1,639,931
Investment income	1,990,540	1,127,145	609,529	641,576	907,224
Other revenues	11,856,487	14,680,231	11,006,916	6,596,163	7,326,791
Total local sources	<u>76,715,976</u>	<u>69,589,350</u>	<u>62,146,928</u>	<u>51,430,600</u>	<u>46,951,722</u>
Total revenues	<u><u>\$ 232,778,415</u></u>	<u><u>\$ 176,416,921</u></u>	<u><u>\$ 200,354,109</u></u>	<u><u>\$ 116,162,768</u></u>	<u><u>\$ 107,577,449</u></u>

(Continued)

Queen Creek Unified School District No. 95
Governmental Funds Revenues
Last Ten Fiscal Years
(Modified accrual basis of accounting)

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Federal sources:					
Federal grants	\$ 3,736,109	\$ 2,692,918	\$ 2,880,135	\$ 2,768,021	\$ 2,903,742
National School Lunch Program	1,328,296	1,192,799	1,224,809	1,154,247	1,041,332
Total federal sources	<u>5,064,405</u>	<u>3,885,717</u>	<u>4,104,944</u>	<u>3,922,268</u>	<u>3,945,074</u>
State sources:					
State equalization assistance	28,906,967	24,715,708	21,432,068	18,483,931	15,319,025
State grants	586,575	643,163	148,188	143,336	97,627
School Facilities Oversight Board	22,270,713	23,946,576	482,000		
Other revenues	<u>3,911,248</u>	<u>3,258,438</u>	<u>2,782,109</u>	<u>2,260,753</u>	<u>1,976,811</u>
Total state sources	<u>55,675,503</u>	<u>52,563,885</u>	<u>24,844,365</u>	<u>20,888,020</u>	<u>17,393,463</u>
Local sources:					
Property taxes	30,243,745	26,439,562	23,283,719	15,934,620	16,018,678
County aid	2,388,204	2,350,517	2,009,104		1,425,591
Food service sales	1,732,509	1,507,368	1,349,650	1,223,319	1,078,537
Investment income	1,080,546	347,462	89,066	141,983	71,815
Other revenues	<u>5,365,969</u>	<u>4,439,629</u>	<u>4,763,557</u>	<u>3,950,605</u>	<u>3,777,711</u>
Total local sources	<u>40,810,973</u>	<u>35,084,538</u>	<u>31,495,096</u>	<u>22,940,551</u>	<u>22,372,332</u>
Total revenues	<u><u>\$ 101,550,881</u></u>	<u><u>\$ 91,534,140</u></u>	<u><u>\$ 60,444,405</u></u>	<u><u>\$ 47,750,839</u></u>	<u><u>\$ 43,710,869</u></u>

Source: The source of this information is the District's financial records.

Note: Due to a change in legislation, beginning with fiscal year 2023, county aid is now presented with property taxes.

(Concluded)

Queen Creek Unified School District No. 95
Governmental Funds Expenditures and Debt Service Ratio
Last Ten Fiscal Years
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Expenditures:					
Current -					
Instruction	\$ 74,380,839	\$ 69,042,935	\$ 59,339,770	\$ 49,920,163	\$ 41,428,092
Support services - students and staff	16,498,855	14,149,625	12,273,811	10,403,113	9,746,282
Support services - administration	13,800,991	12,313,929	9,857,668	8,538,978	7,746,042
Operation and maintenance of plant services	18,725,693	15,689,461	11,800,323	10,173,296	8,936,738
Student transportation services	7,883,190	7,050,948	6,178,660	4,639,712	3,605,635
Operation of non-instructional services	10,833,960	10,325,974	8,817,271	5,761,202	5,027,368
Capital outlay	64,836,845	30,420,256	96,785,746	37,857,019	42,146,562
Debt service -					
Principal retirement	7,255,000	7,205,000	8,939,248	8,676,145	23,666,749
Interest, premium and fiscal charges	4,952,700	7,735,082	8,040,988	6,728,358	5,604,954
Bond issuance costs				610,934	767,823
Total expenditures	<u>\$ 219,168,073</u>	<u>\$ 173,933,210</u>	<u>\$ 222,033,485</u>	<u>\$ 143,308,920</u>	<u>\$ 148,676,245</u>
Expenditures for capitalized assets	\$ 56,779,140	\$ 24,623,056	\$ 90,754,000	\$ 33,274,582	\$ 36,215,646
Debt service as a percentage of noncapital expenditures	8%	10%	13%	14%	26%

(Continued)

Queen Creek Unified School District No. 95
Governmental Funds Expenditures and Debt Service Ratio
Last Ten Fiscal Years
(Modified accrual basis of accounting)

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Expenditures:					
Current -					
Instruction	\$ 34,067,505	\$ 27,711,540	\$ 25,532,755	\$ 19,847,001	\$ 18,174,397
Support services - students and staff	8,101,697	6,350,834	5,278,891	4,510,556	4,307,473
Support services - administration	6,988,180	5,229,766	4,869,509	4,923,198	4,187,163
Operation and maintenance of plant services	7,387,837	6,276,082	6,677,151	5,506,637	4,749,390
Student transportation services	3,108,050	2,757,798	2,631,286	2,180,756	2,168,632
Operation of non-instructional services	4,400,312	3,749,415	3,379,390	3,095,858	2,885,476
Capital outlay	78,794,810	48,952,102	8,952,367	19,553,100	14,127,876
Debt service -					
Principal retirement	5,610,000	5,560,000	4,675,000	4,405,000	4,350,000
Interest, premium and fiscal charges	4,906,209	3,017,419	2,328,115	2,423,200	1,684,701
Bond issuance costs	289,732	953,503		94,630	506,050
Total expenditures	<u>\$ 153,654,332</u>	<u>\$ 110,558,459</u>	<u>\$ 64,324,464</u>	<u>\$ 66,539,936</u>	<u>\$ 57,141,158</u>
Expenditures for capitalized assets	\$ 73,762,675	\$ 45,539,429	\$ 5,491,410	\$ 17,379,514	\$ 13,003,993
Debt service as a percentage of noncapital expenditures	13%	13%	12%	14%	14%

Source: The source of this information is the District's financial records.

(Concluded)

Queen Creek Unified School District No. 95
Other Financing Sources and Uses and Net Changes in Fund Balances - Governmental Funds
Last Ten Fiscal Years
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Excess (deficiency) of revenues over expenditures	\$ 13,610,342	\$ 2,483,711	\$ (21,679,376)	\$ (27,146,152)	\$ (41,098,796)
Other financing sources (uses):					
Issuance of school improvement bonds				11,450,000	23,280,000
Issuance of refunding bonds					6,060,000
Premium on sale of bonds				2,010,877	5,552,920
Payment to refunded bond escrow agent					(6,565,581)
Financed purchase agreements				50,000,000	28,484,142
Insurance recoveries	18,194	120,105	53,011	44,784	
Transfers in	747,910	1,163,614	754,693	1,062,761	1,190,018
Transfers out	(747,910)	(1,163,614)	(754,693)	(1,062,761)	(1,190,018)
Total other financing sources (uses)	<u>18,194</u>	<u>120,105</u>	<u>53,011</u>	<u>63,505,661</u>	<u>56,811,481</u>
Changes in fund balances	<u>\$ 13,628,536</u>	<u>\$ 2,603,816</u>	<u>\$ (21,626,365)</u>	<u>\$ 36,359,509</u>	<u>\$ 15,712,685</u>
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Excess (deficiency) of revenues over expenditures	\$ (52,103,451)	\$ (19,024,319)	\$ (3,880,059)	\$ (18,789,097)	\$ (13,430,289)
Other financing sources (uses):					
Issuance of school improvement bonds	20,640,000	45,215,000		4,350,000	31,920,000
Issuance of refunding bonds					6,910,000
Premium on sale of bonds	2,864,424	5,282,203		176,992	2,431,572
Payment to refunded bond escrow agent					(7,682,567)
Financed purchase agreements		17,800,000			
Insurance recoveries	42,277	104,800			
Transfers in	1,223,789	303,599	114,965	272,096	1,252,491
Transfers out	(1,223,789)	(303,599)	(114,965)	(272,096)	(1,252,491)
Total other financing sources (uses)	<u>23,546,701</u>	<u>68,402,003</u>		<u>4,526,992</u>	<u>33,579,005</u>
Changes in fund balances	<u>\$ (28,556,750)</u>	<u>\$ 49,377,684</u>	<u>\$ (3,880,059)</u>	<u>\$ (14,262,105)</u>	<u>\$ 20,148,716</u>

Source: The source of this information is the District's financial records.

Queen Creek Unified School District No. 95
Net Limited Assessed Value and Full Cash Value of Taxable Property by Class
Last Ten Fiscal Years

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Commercial, Industrial, Utilities and Mining	\$ 163,048,855	\$ 133,053,299	\$ 119,548,542	\$ 99,998,088	\$ 90,801,301
Agricultural and Vacant	52,759,801	49,518,383	56,690,199	51,410,054	43,211,207
Residential (Owner Occupied)	588,211,786	522,953,386	446,493,575	384,393,571	318,716,997
Residential (Rental)	145,084,504	108,651,783	83,643,119	73,835,628	65,854,777
Railroad, Private Cars and Airlines	2,559,798	2,017,735	1,687,607	1,614,450	1,520,931
Historical Property					238,815
Certain Government Property Improvements	339,555	321,316	309,181	301,548	
Total	<u>\$ 952,004,299</u>	<u>\$ 816,515,902</u>	<u>\$ 708,372,223</u>	<u>\$ 611,553,339</u>	<u>\$ 520,344,028</u>
Gross Full Cash Value	\$ 17,236,476,446	\$ 12,021,532,007	\$ 10,019,830,194	\$ 8,545,877,105	\$ 6,959,967,564
Ratio of Net Limited Assessed Value to Gross Full Cash Value	6%	7%	7%	7%	7%
Total Direct Rate	7.13	7.30	7.30	7.40	7.45
<u>Class</u>	<u>Fiscal Year</u>				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Commercial, Industrial, Utilities and Mining	\$ 82,599,416	\$ 71,708,925	\$ 64,590,411	\$ 64,926,927	\$ 73,864,717
Agricultural and Vacant	38,052,991	45,997,143	39,730,509	41,424,711	34,194,728
Residential (Owner Occupied)	274,820,517	226,028,388	183,826,233	154,816,190	131,924,278
Residential (Rental)	55,205,802	51,006,633	46,476,500	41,737,053	34,578,223
Railroad, Private Cars and Airlines	1,515,140	1,615,876	1,560,000	1,704,669	1,815,687
Historical Property	262,545	350,255	394,845	4,055	4,480
Certain Government Property Improvements	240,566	278,900	292,778	183,045	113,698
Total	<u>\$ 452,696,977</u>	<u>\$ 396,986,120</u>	<u>\$ 336,871,276</u>	<u>\$ 304,796,650</u>	<u>\$ 276,495,811</u>
Gross Full Cash Value	\$ 5,933,597,758	\$ 5,056,731,948	\$ 4,499,321,946	\$ 3,819,516,923	\$ 2,885,566,249
Ratio of Net Limited Assessed Value to Gross Full Actual Value	8%	8%	7%	8%	10%
Total Direct Rate	7.61	7.57	8.04	6.17	6.55

Source: The source of this information is the State and County Abstract of the Assessment Roll, Arizona Department of Revenue.

Note: On November 6, 2012, voters approved Proposition 117, an amendment to the Arizona Constitution. Beginning with Tax Year 2015 (Fiscal Year 2016), both primary and secondary taxes are levied against the net limited assessed value. Primary taxes are used for general District operations. Secondary taxes are used to service District bonded debt requirements and other voter-approved overrides.

Queen Creek Unified School District No. 95
Net Full Cash Assessed Value of Taxable Property by Class
Last Ten Fiscal Years

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Commercial, Industrial, Utilities and Mining	\$ 246,370,591	\$ 173,871,776	\$ 156,679,767	\$ 129,882,909	\$ 113,373,531
Agricultural and Vacant	149,726,374	117,737,944	118,926,950	105,718,242	85,017,487
Residential (Owner Occupied)	1,057,845,555	752,155,384	620,114,089	520,907,030	414,230,324
Residential (Rental)	264,460,699	162,204,038	118,452,300	102,150,834	87,461,053
Railroad, Private Cars and Airlines	3,308,844	2,663,564	2,197,519	2,052,029	1,884,711
Historical Property					238,815
Certain Government Property Improvements		337,624	329,232		
Total	<u>\$ 1,722,234,464</u>	<u>\$ 1,208,970,330</u>	<u>\$ 1,016,699,857</u>	<u>\$ 861,188,743</u>	<u>\$ 702,205,921</u>
Gross Full Cash Value	\$ 17,236,476,446	\$ 12,021,532,007	\$ 10,019,830,194	\$ 8,545,877,105	\$ 6,959,967,564
Ratio of Net Full Assessed Value to Gross Full Cash Value	10%	10%	10%	10%	10%
Estimated Net Full Cash Value	15,300,443,569	10,618,885,067	8,797,078,735	7,449,037,509	6,002,447,265
Total Direct Rate	7.13	7.30	7.30	7.40	7.45
<u>Class</u>	<u>Fiscal Year</u>				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Commercial, Industrial, Utilities and Mining	\$ 101,099,190	\$ 85,733,572	\$ 73,950,607	\$ 70,174,710	\$ 74,717,446
Agricultural and Vacant	75,319,725	75,187,562	70,739,886	62,335,654	41,192,781
Residential (Owner Occupied)	345,807,062	281,398,301	232,574,186	192,467,989	141,139,851
Residential (Rental)	71,481,894	65,361,953	60,099,917	53,248,366	37,584,674
Railroad, Private Cars and Airlines	1,831,491	1,887,203	1,671,670	1,737,728	1,832,955
Historical Property	262,545	350,255	394,845	4,055	4,480
Certain Government Property Improvements	309,876	350,060	362,858		
Total	<u>\$ 596,111,783</u>	<u>\$ 510,268,906</u>	<u>\$ 439,793,969</u>	<u>\$ 380,167,016</u>	<u>\$ 296,586,968</u>
Gross Full Cash Value	\$ 5,933,597,758	\$ 5,056,731,948	\$ 4,499,321,946	\$ 3,819,516,923	\$ 2,885,566,249
Ratio of Net Full Assessed Value to Gross Full Cash Value	10%	10%	10%	10%	10%
Estimated Net Full Cash Value	5,078,054,126	4,323,468,341	3,676,852,065	3,076,717,612	2,331,775,756
Total Direct Rate	7.61	7.57	8.04	6.17	6.55

Source: The source of this information is the State and County Abstract of the Assessment Roll, Arizona Department of Revenue.

Note: On November 6, 2012, voters approved Proposition 117, an amendment to the Arizona Constitution. Beginning with Tax Year 2015 (Fiscal Year 2016), both primary and secondary taxes are levied against the net limited assessed value. The net full cash assessed value is used for determining the District's bonding capacity and as the ceiling for net limited assessed value.

Queen Creek Unified School District No. 95
Property Tax Assessment Ratios
Last Ten Fiscal Years

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Commercial, Industrial, Utilities and Mining	17 %	18 %	18 %	18 %	18 %
Agricultural and Vacant	15	15	15	15	15
Residential (Owner Occupied)	10	10	10	10	10
Residential (Rental)	10	10	10	10	10
Railroad, Private Cars and Airlines	14	15	15	15	15

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Commercial, Industrial, Utilities and Mining	18 %	18 %	18 %	19 %	19 %
Agricultural and Vacant	15	15	15	16	16
Residential (Owner Occupied)	10	10	10	10	10
Residential (Rental)	10	10	10	10	10
Railroad, Private Cars and Airlines	14	15	14	15	16

Source: The source of this information is the State and County Abstract of the Assessment Roll, Arizona Department of Revenue.

Note: Additional classes of property exist, but do not amount to a significant portion of the District's total valuation, therefore they are not included on this schedule.

Queen Creek Unified School District No. 95
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years

Fiscal Year Ended June 30	Overlapping Rates							District Direct Rates		
	State	County	County	Flood	Community	Fire District	East Valley Institute of Technology School District No. 401	Primary	Secondary	Total
	Equalization		Free Library	Control District	College District	Assistance				
2024		1.20	0.05	0.15	1.14	0.01	0.05	4.41	2.72	7.13
2023		1.25	0.05	0.16	1.19	4.61	0.05	4.00	3.30	7.30
2022	0.43	1.35	0.06	0.18	1.23	0.01	0.05	4.00	3.30	7.30
2021	0.44	1.40	0.06	0.18	1.29	0.01	0.05	3.99	3.41	7.40
2020	0.46	1.40	0.06	0.18	1.33	0.01	0.05	4.10	3.35	7.45
2019	0.47	1.40	0.06	0.18	1.38	0.01	0.05	4.23	3.39	7.61
2018	N/A	1.40	0.06	0.18	1.41	0.01	0.05	4.16	3.41	7.57
2017	N/A	1.40	0.06	0.18	1.47	0.01	0.05	4.68	3.36	8.04
2016	N/A	1.36	0.06	0.16	1.49	0.01	0.05	4.28	1.89	6.17
2015	N/A	1.32	0.06	0.14	1.52	0.01	0.05	4.30	2.24	6.55

Source: The source of this information is the Property Tax Rates and Assessed Values, Arizona Tax Research Foundation.

Queen Creek Unified School District No. 95
Principal Property Taxpayers
Current Fiscal Year and Fiscal Year Nine Years Prior

Taxpayer	2024		2015	
	Net Limited Assessed Valuation	Percentage of District's Net Limited Assessed Valuation	Net Full Cash Assessed Valuation	Percentage of District's Net Full Cash Assessed Valuation
Pacific Proving LLC	\$ 14,720,627	1.55 %		
CMC Steel Arizona	11,781,112	1.24	\$17,278,391	5.83 %
QCM Partners LLC	9,030,268	0.95		
C1418 Landing 202 LLC/Sherman Street Land	6,998,254	0.74		
Landing 3 Industrial LLC	6,798,051	0.71		
Fulton Homes Corporation	5,916,177	0.62		
Southwest Gas Corporation (T&D)	4,868,274	0.51		
ZF Passive Safety Systems US Inc.	4,513,516	0.47		
Commercial Metals Company	4,262,216	0.45	3,045,805	1.03
7613 East Ray LLC	4,260,096	0.45		
Jorde Farms Inc			9,903,988	3.34
TRW Vehicle Safety Systems Inc			5,170,654	1.74
Fujifilm Electronic Materials Usa Inc .			3,881,172	1.31
Siete Colar, LLC (C/O PSEG)			2,820,360	0.95
Wal-Mart Stores, Inc.			2,447,200	0.83
HSL Encantada Queen Creek LLC			2,217,660	0.75
WDP Town Center LLP			2,087,429	0.70
Union Pacific Railroad			1,832,955	0.62
Total	<u>\$ 73,148,591</u>	<u>7.68 %</u>	<u>\$ 50,685,614</u>	<u>17.10</u>

Source: The source of this information is the Maricopa County Assessor's Records.

Note: On November 6, 2012 voters approved Proposition 117, an amendment to the Arizona Constitution. Beginning with Tax Year 2015 (Fiscal Year 2016), both primary and secondary taxes are levied against the net limited assessed value.

Queen Creek Unified School District No. 95
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Fiscal Years	Collected to the End of the Current Fiscal Year	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2024	\$ 68,335,133	\$ 65,300,848	95.56 %	\$	\$ 65,300,848	95.56 %
2023	58,646,710	56,322,234	96.04	2,320,098	58,642,332	99.99
2022	51,663,806	49,071,639	94.98	2,585,408	51,657,047	99.99
2021	45,364,311	42,959,609	94.70	2,398,425	45,358,034	99.99
2020	38,873,810	36,618,507	94.20	2,239,650	38,858,157	99.96
2019	34,779,357	32,554,549	93.60	2,215,672	34,770,221	99.97
2018	30,235,963	28,358,336	93.79	1,874,385	30,232,721	99.99
2017	27,111,702	25,475,272	93.96	1,633,527	27,108,799	99.99
2016	18,894,620	18,284,185	96.77	608,087	18,892,272	99.99
2015	18,389,795	16,792,339	91.31	1,594,593	18,386,932	99.98

Source: The source of this information is the Maricopa County Treasurer's records.

Notes: 1) Amounts collected are on a cash basis.

- 2) Unsecured personal property taxes are not included in this schedule because the dates of the monthly rolls vary each year. On the average, 90% of unsecured property taxes are collected within 90 days after the due date.

Queen Creek Unified School District No. 95
Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year Ended June 30	General Obligation Bonds					Total Outstanding Debt					
	General Obligation Bonds	Less: Amounts Restricted for Principal	Total	Percentage of Estimated Actual Value	Per Capita	Financed Purchases and Leases	Total	Percentage of Estimated Actual Value	Per Capita	Percentage of Personal Income	
				(Full Cash Value)							
2024	\$ 125,587,438	\$ 1,686,038	\$ 123,901,400	1.03 %	\$ 1,827	\$ 78,317,000	\$ 203,904,438	1.18 %	\$ 3,006	0.08 %	
2023	133,747,539	1,568,422	132,179,117	1.10	4,067	78,317,000	212,064,539	1.76	4,936	0.08	
2022	143,532,640	1,128,724	142,403,916	1.42	2,331	78,317,000	221,849,640	2.21	3,632	0.09	
2021	153,127,741	1,175,256	151,952,485	1.78	4,277	78,426,248	231,553,989	2.71	6,518	0.10	
2020	146,885,965	2,419,664	144,466,301	2.08	3,883	28,462,393	175,348,358	2.52	4,713	0.08	
2019	124,950,505	1,597,429	123,353,076	2.08	3,106	17,800,000	142,750,505	2.41	3,594	0.07	
2018	107,211,676	909,915	106,301,761	2.10	2,992	17,800,000	125,011,676	2.47	3,519	0.07	
2017	62,232,220	401,873	61,830,347	1.37	1,846		62,232,220	1.38	1,858	0.03	
2016	66,847,381	2,590,024	64,257,357	1.68	2,135		66,847,381	1.75	2,221	0.04	
2015	66,928,894	1,271,482	65,657,412	2.28	2,225		66,928,894	2.32	2,268	0.05	

Source: The source of this information is the District's financial records.

Note: The provisions of the Governmental Accounting Standards Board (GASB) Statement No. 87 were adopted in fiscal year 2022. The standard replaces the previous capital and operating lease designations with financed purchases or leases depending on the substance of the transactions. The fiscal year 2015-2021 information within this column relates to the transactions previously designated as capital leases.

Queen Creek Unified School District No. 95
Direct and Overlapping Governmental Activities Debt
June 30, 2024

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable to School District</u>	<u>Estimated Amount Applicable to School District</u>
Overlapping:			
State of Arizona	None	0.87%	None
Maricopa County	None	1.34	None
Maricopa County Community College District	\$ 87,320,000	1.34	\$ 1,170,088
Maricopa County Special Health Care District (MIHS)	600,335,000	1.34	8,044,489
City of Mesa	368,295,000	5.66	20,845,497
Town of Queen Creek	614,339,488	82.81	508,734,530
Cadence Community Facilities District	17,207,000	100.00	17,207,000
Eastmark Community Facilities District No. 1	75,890,000	92.34	70,076,826
Eastmark Community Facilities District No. 2	5,865,000	5.23	306,740
Subtotal, Overlapping Debt			<u>626,385,170</u>
Direct:			
Queen Creek Unified School District No. 95			<u>203,904,438</u>
Total Direct and Overlapping Debt			<u><u>\$ 830,289,608</u></u>

Direct and Overlapping General Bonded Debt Ratios

Net Direct General Obligation Bonded Debt		
As a Percentage of Net Limited Assessed Valuation	13.01	%
Net Direct and Overlapping General Bonded Debt		
Per Capita	\$ 11,061	
As a Percentage of Net Limited Assessed Valuation	78.81	%
As a Percentage of Gross Full Cash Value	4.35	%

Source: The source of this information is the District's records and the State and County Abstract of the Assessment Roll, Arizona Department of Revenue and the applicable governmental unit.

Note: Estimated percentage of debt outstanding applicable to the District is calculated based on a portion of the District's net limited assessed valuation as a percentage of the net limited assessed valuation of the overlapping jurisdiction.

Queen Creek Unified School District No. 95
Legal Debt Margin Information
Last Ten Fiscal Years

Class B Bond Legal Debt Margin Calculation for Fiscal Year 2024:

Net full cash assessed valuation	\$ 1,722,234,464
Debt limit (20% of assessed value)	344,446,893
Debt applicable to limit	<u>124,279,051</u>
Legal debt margin	<u><u>\$ 220,167,842</u></u>

Total Legal Debt Margin Calculation for Fiscal Year 2024:

Net full cash assessed valuation	\$ 1,722,234,464
Debt limit (30% of assessed value)	516,670,339
Debt applicable to limit	<u>124,279,051</u>
Legal debt margin	<u><u>\$ 392,391,288</u></u>

	Fiscal Year Ended June 30				
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Debt Limit	\$ 516,670,339	\$ 362,691,099	\$ 305,009,957	\$ 258,356,623	\$ 210,661,776
Total net debt applicable to limit	<u>124,279,051</u>	<u>132,018,270</u>	<u>141,651,817</u>	<u>151,226,503</u>	<u>144,407,946</u>
Legal debt margin	<u><u>\$ 392,391,288</u></u>	<u><u>\$ 230,672,829</u></u>	<u><u>\$ 163,358,140</u></u>	<u><u>\$ 107,130,120</u></u>	<u><u>\$ 66,253,830</u></u>
Total net debt applicable to the limit as a percentage of debt limit	24%	36%	46%	59%	69%
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Debt Limit	\$ 178,833,535	\$ 153,080,672	\$ 131,938,191	\$ 114,050,105	\$ 88,976,090
Total net debt applicable to limit	<u>122,547,258</u>	<u>102,049,372</u>	<u>59,945,000</u>	<u>64,350,000</u>	<u>64,350,000</u>
Legal debt margin	<u><u>\$ 56,286,277</u></u>	<u><u>\$ 51,031,300</u></u>	<u><u>\$ 71,993,191</u></u>	<u><u>\$ 49,700,105</u></u>	<u><u>\$ 24,626,090</u></u>
Total net debt applicable to the limit as a percentage of debt limit	69%	67%	45%	56%	72%

Source: The source of this information is the District's financial records.

- Notes:** 1) The District's general obligation bonds are subject to two limits: the Constitutional debt limit (total debt limit) on all general obligation bonds outstanding and the statutory debt limit on Class B bonds outstanding. The calculations of the debt margins are presented in detail for the current fiscal year only.
- 2) Prior to FY17, net bond premium was restricted by amount and not subject to the statutory debt limit. Beginning with FY17, any additional net premium used for capital projects, bond counsel, printing and preparation of offering documents, a financial advisor, paying agent costs or to pay down debt is counted against both debt limits with the exception of amounts of premium deposited into the Debt Service Fund or a refunding escrow to pay interest payments.

Queen Creek Unified School District No. 95
County-Wide Demographic and Economic Statistics
Last Ten Calendar Years

Year	Population	Personal Income (thousands)	Per Capita Income	Unemployment Rate	Estimated District Population
2023	4,665,020	\$ 312,350,417	\$ 68,111	3.4 %	67,829
2022	4,586,431	268,713,717	59,759	3.3	67,010
2021	4,507,417	249,677,860	56,255	4.5	66,346
2020	4,579,081	245,077,753	53,521	6.6	61,081
2019	4,485,414	223,097,349	49,663	3.6	35,524
2018	4,294,460	210,370,180	47,694	4.1	37,202
2017	4,221,684	196,286,191	45,573	4.2	39,714
2016	4,137,076	185,111,698	43,628	4.5	35,524
2015	4,076,438	184,784,917	42,092	5.5	33,492
2014	4,087,191	168,483,421	41,222	5.9	30,100

Sources: The source of the "Personal Income" and "Per Capita" information is the Bureau of Economic Analysis.
The source of the "Population" and "Unemployment Rate" information is the Arizona Office of Employment and Population Statistics.

Queen Creek Unified School District No. 95
Principal Employers
Current Fiscal Year and Fiscal Year Nine Years Prior

<u>Employer</u>	<u>2024</u>			<u>2015</u>	
	<u>Employees</u>	<u>Percentage of Total Employment</u>		<u>Employees</u>	<u>Percentage of Total Employment</u>
Banner Health	26,670	1.41	%		%
Amazon	23,260	1.23			
State of Arizona	22,350	1.18			
Walmart Stores, Inc.	17,450	0.92		330	2.43
Fry's Food Stores	15,110	0.80			
Intel Corporation	12,810	0.68			
Maricopa County	11,580	0.61			
Arizona State University	11,300	0.60			
Wells Fargo	10,420	0.55			
United States Department of the Air Force	9,310	0.49			
TRW Vehicle Safety Systems Inc.				970	7.13
Queen Creek Unified School Districts				710	5.22
J.O. Combs Unified School District				200	1.47
Target				180	1.32
Community Center, Inc.				180	1.32
Home Depot				160	1.18
Town of Queen Creek				150	1.10
Kohl's				125	0.92
Benjamin Franklin Charter School, Ltd.				100	0.74
Total	<u>160,260</u>	<u>8.47</u>	%	<u>3,105</u>	<u>22.83</u> %
Total employment	<u>1,893,180</u>			<u>13,597</u>	

Source: The source of this information is the Maricopa Association of Governments and the Business Journal Book of Lists.

Note: The principal employers for the current year were not available for the District alone, therefore, the principal employers for Maricopa County are presented.

Queen Creek Unified School District No. 95
Full-Time Equivalent District Employees by Type
Last Ten Fiscal Years

	Full-time Equivalent Employees as of June 30				
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Supervisory					
Superintendent	1	1	1	1	
Assistant superintendent	3	3	3	2	
Consultants/supervisors of instruction	10	9	10	8	8
Principals	14	14	13	13	12
Assistant principals	10	10	11	9	8
Total supervisory	<u>38</u>	<u>37</u>	<u>38</u>	<u>33</u>	<u>28</u>
Instruction					
Teachers	722	704	654	526	462
Other professionals (instructional)	44	44	35	32	27
Aides	206	189	174	130	105
Total instruction	<u>972</u>	<u>937</u>	<u>863</u>	<u>688</u>	<u>594</u>
Student Services					
Librarians			1	1	1
Technicians	14	13	12	11	8
Guidance counselors	33	28	26	21	19
Other professionals (noninstructional)	6	6	95	92	78
Total student services	<u>53</u>	<u>47</u>	<u>134</u>	<u>125</u>	<u>106</u>
Support and Administration					
Clerical workers	252	219	136	131	125
Unskilled laborers	197	218	256	226	194
Total support and administration	<u>449</u>	<u>437</u>	<u>392</u>	<u>357</u>	<u>319</u>
Total	<u><u>1,512</u></u>	<u><u>1,458</u></u>	<u><u>1,427</u></u>	<u><u>1,203</u></u>	<u><u>1,047</u></u>

(Continued)

Queen Creek Unified School District No. 95
Full-Time Equivalent District Employees by Type
Last Ten Fiscal Years

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Supervisory					
Superintendent					
Assistant superintendent					
Consultants/supervisors of instruction	8	6	5	7	11
Principals	10	8	8	7	7
Assistant principals	6	6	5	4	4
Total supervisory	<u>24</u>	<u>20</u>	<u>18</u>	<u>18</u>	<u>22</u>
Instruction					
Teachers	391	365	320	277	245
Other professionals (instructional)	19	12	9	5	5
Aides	78	68	61	69	80
Total instruction	<u>488</u>	<u>445</u>	<u>390</u>	<u>351</u>	<u>330</u>
Student Services					
Librarians	1	1	1	1	1
Technicians	6	7	4	1	1
Guidance counselors	15	13	8	8	8
Other professionals (noninstructional)	64	49	52	40	33
Total student services	<u>86</u>	<u>70</u>	<u>65</u>	<u>50</u>	<u>43</u>
Support and Administration					
Clerical workers	106	72	70	87	153
Unskilled laborers	155	129	113	84	82
Total support and administration	<u>261</u>	<u>201</u>	<u>183</u>	<u>171</u>	<u>235</u>
Total	<u>859</u>	<u>736</u>	<u>656</u>	<u>590</u>	<u>630</u>

Source: The source of this information is District personnel records.

(Concluded)

Queen Creek Unified School District No. 95
Operating Statistics
Last Ten Fiscal Years

Fiscal Year Ended June 30	Average Daily Membership	Operating Expenditures	Cost per Pupil	Percentage Change	Expenses	Cost per Pupil	Percentage Change	Teaching Staff	Pupil- Teacher Ratio	Percentage of Free/Reduced Students
2024	13,463	\$ 142,123,528	\$ 10,557	4.78 %	\$ 176,803,061	\$ 13,133	3.98 %	722	18.6	23.1 %
2023	12,762	128,572,872	10,075	7.44	161,181,260	12,630	7.53	704	18.1	16.1
2022	11,546	108,267,503	9,377	1.87	135,609,916	11,745	(1.88)	654	17.7	13.8
2021	9,716	89,436,464	9,205	4.93	116,299,923	11,970	3.21	526	18.5	18.6
2020	8,719	76,490,157	8,773	(1.98)	101,120,923	11,598	3.82	462	18.9	19.4
2019	7,157	64,053,581	8,950	18.61	79,951,039	11,171	20.54	391	18.3	21.8
2018	6,902	52,075,435	7,546	(1.63)	63,960,140	9,268	1.30	365	18.9	26.6
2017	6,306	48,368,982	7,671	6.80	57,689,263	9,149	8.06	320	19.7	28.0
2016	5,578	40,064,006	7,183	(1.10)	47,224,414	8,466	0.14	277	20.1	36.6
2015	5,022	36,472,531	7,263	(2.43)	42,457,667	8,454	(1.11)	245	20.5	27.0

Source: The source of this information is the District's financial records.

Notes: 1) Operating expenditures are total expenditures less debt service and capital outlay.

Queen Creek Unified School District No. 95
Capital Assets Information
Last Ten Fiscal Years

	Fiscal Year Ended June 30									
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<u>Schools</u>										
Elementary										
Buildings	9	9	9	8	7	6	5	5	5	4
Square feet	705,762	705,762	705,762	604,772	457,797	368,797	287,363	287,363	343,214	254,144
Capacity	8,822	7,696	7,696	6,890	6,190	4,904	3,968	3,968	4,076	3,176
Enrollment	6,748	7,207	6,644	5,435	4,753	3,689	3,633	3,717	2,747	2,185
Middle										
Buildings	2	2	2	2	2	2	2	2	2	2
Square feet	209,461	209,461	209,461	209,461	209,461	209,461	209,461	209,461	231,564	241,261
Capacity	2,618	2,445	2,445	2,445	2,445	2,000	2,306	2,306	2,507	1,993
Enrollment	2,243	2,144	1,819	1,662	2,115	1,741	1,486	1,283	1,216	1,602
High										
Buildings	3	3	2	2	2	1	1	1	1	1
Square feet	643,632	643,632	452,808	452,808	388,692	235,010	235,010	235,010	237,380	241,571
Capacity	6,847	3,466	3,466	3,466	3,466	1,500	2,169	2,169	1,975	1,993
Enrollment	4,127	3,979	3,265	2,979	2,585	2,109	2,117	2,074	1,900	1,796

Source: The source of this information is the District's facilities records.